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12  
13 UNITED STATES DISTRICT COURT  
14 FOR THE CENTRAL DISTRICT OF CALIFORNIA  
15 WESTERN DIVISION

16 UNITED STATES OF AMERICA,  
17 Plaintiff,  
18 v.  
19 REAL PROPERTY LOCATED IN  
20 PARADISE VALLEY, ARIZONA  
21 Defendant.

No. CV 18-8764

**VERIFIED COMPLAINT FOR FORFEITURE**

18 U.S.C. §§ 981(a)(1)(A) & (C)

[U.S.P.I.S.]

1	<u>PERSONS AND ENTITIES</u> .....	6
2	FUNDS HELD IN THE NAME OF POSTING SOLUTIONS:.....	6
3	FUNDS HELD IN THE NAME OF CEREUS PROPERTIES LLC:.....	6
4	ASSETS HELD BY OR FOR THE BENEFIT OF BY MICHAEL LACEY:.....	7
5	ASSETS HELD BY OR FOR THE BENEFIT JAMES LARKIN:.....	9
6	ASSETS HELD BY OR FOR THE BENEFIT OF JOHN BRUNST:.....	11
7	ASSETS HELD BY OR FOR THE BENEFIT OF SCOTT SPEAR:.....	12
8	FUNDS HELD IN THE NAME OF PRIMUS TRUST.....	12
9	FUNDS HELD IN THE NAME OF GOLD LEAF SRO.....	12
10	FUNDS HELD IN THE NAME OF PROTECCTIO SRO.....	13
11	FUNDS HELD IN THE NAME OF VARICOK COMPANY SRO.....	13
12	FUNDS HELD IN THE NAME OF AD TECH BV.....	13
13	FUNDS HELD IN THE NAME OF PROCOP SERVICES BV.....	14
14	FUNDS HELD IN THE NAME OF GULIETTA GROUP BV.....	14
15	FUNDS HELD IN THE NAME OF UNIVERSADS BV.....	14
16	FUNDS HELD IN THE NAME OF CASHFLOWS EUROPE LIMITED.....	15
17	ASCIO/WMB INC DOMAIN NAMES.....	15
18	SURRENDERED DOMAIN NAMES.....	16
19	OTHER BACKPAGE SURRENDERED ASSETS.....	18
20	NATURE OF THE ACTION AND CLAIMS FOR RELIEF.....	20
21	JURISDICTION AND VENUE.....	22
22	I. The Formation and Evolution of Backpage.....	24
23	II. The Sources and Manipulation of Backpage Criminal Proceeds....	26
24	A. Backpage Promotion of Prostitution and Sex Trafficking...	26
25	B. Payments for Advertising on Backpage.....	35
26	C. Bases for Forfeiture.....	40
27	III. Assets Representing, Traceable To, and Involved In	
28		

1	Specified Unlawful Activity.....	41
2	A. Account 1 (Prosperity '7188 Funds).....	41
3	CEREUS PROPERTIES ASSETS.....	42
4	B. Account 2 (Compass '3873 Funds).....	42
5	C. Account 3 (Compass '4862 Funds).....	43
6	MICHAEL LACEY ASSETS.....	44
7	D. Account 4 (FFS&L of SR '3620 Funds).....	44
8	E. Accounts 5-10 (RBA '2485, '1897, '3126, '8316, '8324,	
9	and '8332).....	44
10	F. Account 11 (SFFCU '2523 Funds).....	45
11	G. Account 12 (IOLTA '4139).....	45
12	H. The Sebastopol Property.....	46
13	I. San Francisco, California Property 1.....	46
14	J. San Francisco Property 2.....	47
15	K. San Francisco Property 3.....	48
16	L. Sedona Property.....	49
17	M. Paradise Valley Property 1.....	53
18	N. Paradise Valley Property 2.....	49
19	JAMES LARKIN ASSETS.....	49
20	O. Accounts 13, 15, 16, 17, AND 18 (RBA '1889, '2592,	
21	'1938, '1897, '8103, '8162, AND '8189).....	49
22	P. Accounts 19 AND 20 (PCTC ACCOUNT '0012 FUNDS, PERKINS	
23	COIE '0012).....	50
24	Q. Account 21 (ACF '2020).....	51
25	R. Accounts 22 AND 23 (BA '8225 and '7054).....	52
26	S. Saint Helena Property.....	52
27	T. Chicago Property.....	53
28	U. Paradise Valley Property 7.....	53

1	JOHN BRUNST ASSETS.....	54
2	V.    Account 24 (COMPASS BANK '3825).....	54
3	W.    Account 25, 26, 27, 28, 29, 30 (AB '6878, '4954,	
4	'7982, '7889, '7888 AND '6485).....	54
5	SCOTT SPEAR ASSETS.....	55
6	X.    Accounts 31, 32, AND 33 (NBA '0178, '0151, and '3645).....	55
7	Y.    Account 34 (Live Oak Bank Account '6910).....	56
8	Z.    Account 35 and 36 (Ascensus Broker Services '4301	
9	and '8001).....	56
10	PRIMUS TRUST ASSETS.....	57
11	AA.   Account 37 (K&H Bank Account '1210).....	57
12	AD TECH BV ASSETS.....	58
13	BB.   Accounts 56, 57, and 58 (Fio Bank '5803, '5801, and	
14	'5805).....	58
15	CC.   Accounts 47, 48, 49 and 50 (BF Accounts 'K000 K, 'K000	
16	U, 'K000 E, and 'K001 K).....	58
17	GOLD LEAF SRO FUNDS HELD AT FIO BANK.....	59
18	DD.   Account 38, 39, and 30 (Fio Bank '2226, '2231, and	
19	'2230).....	59
20	PROTECCIO SRO FUNDS HELD AT FIO BANK.....	59
21	EE.   Accounts 41, 42, and 43 (Fio Bank '4194, '4196, and	
22	'4198).....	59
23	VARICOK SRO FUNDS HELD AT FIO BANK.....	60
24	FF.   Accounts 44, 45, and 46 (Fio Bank '8083, '8086, and	
25	'8080).....	60
26	PROCOP SERVICES BV FUNDS HELD AT KNAB BANK.....	61
27	GG.   Account 51 (KB '7664).....	61
28	GULIETTA GROUP BV FUNDS HELD AT RABO BANK.....	61
	HH.   Accounts 52 and 53 (RB '2452 and '4721).....	61
	CASHFLOWS EUROPE LTD FUNDS HELD FOR GULIETTA GROUP B.V.,	
	UNIVERSADS B.V., PROCOPSERVICES B.V. and PROTECCIO SRO.....	62

1	II. Account 55 (SP '1262).....	62
2	JJ. Account 54 (LHVP '4431).....	63
3	BACKPAGE-CONTROLLED DOMAIN NAMES.....	63
4	KK. ASCIO/WMB Inc Domain Names.....	63
5	LL. SURRENDERED DOMAIN NAMES.....	65
6	BACKPAGE SURRENDERED ASSETS.....	75
7	MM. Assets Surrendered To The United States By Backpage.....	75
8	NN. BACKPAGE FUNDS PREVIOUSLY HELD AT DAVIS WRIGHT	
9	TREMAINE.....	77
10	<u>FIRST CLAIM FOR RELIEF</u> .....	78
11	(18 U.S.C. § 981(a)(1)(C)).....	78
12	<u>SECOND CLAIM FOR RELIEF</u> .....	78
13	(18 U.S.C. § 981(a)(1)(A)).....	78
14	<u>THIRD CLAIM FOR RELIEF</u> .....	79
15	(18 U.S.C. § 981(a)(1)(A)).....	79
16	VERIFICATION.....	81

1 The United States of America brings this complaint against the  
2 above-captioned asset(s) and alleges as follows:

3 **PERSONS AND ENTITIES**

4 1. The plaintiff is the United States of America ("plaintiff"  
5 or the "government").

6 2. The defendant is Real Property Located in Paradise Valley,  
7 Arizona<sup>1</sup>, (the "Defendant Asset" or "Paradise Valley Property 1"),  
8 more particularly described in Attachment A.

9 3. The Defendant Asset is held in the name of James A. Larkin  
10 and Margaret G. Larkin Trustees for Ocotillo Family Trust. The  
11 persons and entities whose interests may be affected by this action  
12 are James A. Larkin, Margaret G. Larkin, and James A. Larkin and  
13 Margaret G. Larkin Trustees for Ocotillo Family Trust.

14 4. Contemporaneously with the filing of this complaint,  
15 plaintiff is filing related actions seeking the civil forfeiture of  
16 the following assets (collectively, the "Subject Assets"):

17 **FUNDS HELD IN THE NAME OF POSTING SOLUTIONS:**

18 a. \$3,374,918.61 seized from Prosperity Bank account '7188  
19 ("Prosperity '7188 Funds" or "Account 1") held in the name of Posting  
20 Solutions, LLC.<sup>2</sup>

21 **FUNDS HELD IN THE NAME OF CEREUS PROPERTIES LLC:**

22 b. \$5,462,027.17 seized from Compass Bank account '3873  
23 ("Compass '3873 Funds" or "Account 2"), held in the name of Cereus  
24

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25 <sup>1</sup> In compliance with Local rule 5.2-1 of the Local Civil Rules  
26 for the Central District of California, only the city and state for  
27 home addresses are listed.

28 <sup>2</sup> Attached hereto as exhibit A is an index of the Subject Assets  
that consist of funds or securities on deposit at or seized from  
financial institutions.

1 Properties, LLC, an entity owned or controlled by Scott Spear.

2 c. \$407,686.14 seized from Compass Bank account '4862  
3 ("Compass '4862 Funds" or "Account 3"), held in the name of Cereus  
4 Properties, LLC.

5 **ASSETS HELD BY OR FOR THE BENEFIT OF MICHAEL LACEY:**

6 d. \$689,884.48 seized from First Federal Savings & Loan of San  
7 Rafael account '3620 ("FFS&L of SR '3620 Funds" or "Account 4"), held  
8 in the name of Michael Lacey ("Lacey");

9 e. \$515,899.85 seized from Republic Bank of Arizona account  
10 '2485 ("RBA '2485 Funds" or "Account 5"), held in the name of Lacey;

11 f. \$75,835.31 seized from Republic Bank of Arizona account  
12 '1897 ("RBA '1897 Funds" or "Account 6"), held in the name of Lacey;

13 g. \$500,000.00 seized from Republic Bank of Arizona account  
14 '3126 ("RBA '3126 Funds" or "Account 7"), held in the name of Lacey;

15 h. \$600,000.00 seized from or frozen in Republic Bank of  
16 Arizona Certificate of Deposit ("CDARS")<sup>3</sup> account '8316 ("RBA '8316  
17 Funds" or "Account 8"), held in the name of Lacey;

18 i. \$302,177.57 seized from or frozen in Republic Bank of  
19 Arizona CDARS account '8324 ("RBA '8324 Funds" or "Account 9"), held  
20 in the name of Lacey;

21 j. \$300,000.00 seized from or frozen in Republic Bank of  
22 Arizona CDARS account '8332 ("RBA '8332 Funds" or "Account 10"), held  
23 in the name of Lacey;

24 k. \$734,603.70 seized from or frozen in Credit Union account  
25 '2523 ("SFFCU '2523 Funds" or "Account 11"), held in the name of

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26 <sup>3</sup> CDARS is a program that allows a depositor to spread funds  
27 across several banks in order to maintain account balances below the  
28 Federal Deposit Insurance Corporation's insurance limits at any  
particular bank.

1 Lacey;

2 1. \$2,412,785.47 seized from or frozen in place at Money Gram,  
3 having originated from Midfirst Bank account '4139 ("IOLTA<sup>4</sup> '4139" or  
4 Account 12), held in the name of attorney, "J.B." for the benefit of  
5 Lacey;

6 m. All right and title to the real property located in  
7 Sebastopol, California titled in the name of Finca Manzana for  
8 Sebastopol, LLC ("Sebastopol Property"), APN 076-100-0008-000,  
9 including all appurtenances, improvements, and attachments thereon,  
10 as well as all leases, rents, and profits derived therefrom;<sup>5</sup>

11 n. All right and title to the real property located in San  
12 Francisco, California titled in the name of Lacey and Alyson Talley  
13 ("San Francisco Property 1"), APN 07-1008-057-01, including all  
14 appurtenances, improvements, and attachments thereon, as well as all  
15 leases, rents, and profits derived therefrom;

16 o. All right and title to the real property located in San  
17 Francisco, California titled in the name of Casa Bahia for San  
18 Francisco, LLC ("San Francisco Property 2"), APN 0563-029, including  
19 all appurtenances, improvements, and attachments thereon, as well as  
20 all leases, rents, and profits derived therefrom;

21 p. All right and title to the real property located in San  
22 Francisco, California titled in the name of Lacey ("San Francisco  
23 Property 3"), APN 0097C011, including all appurtenances,  
24 improvements, and attachments thereon, as well as all leases, rents,  
25 and profits derived therefrom;

---

26  
27 <sup>4</sup> An "IOLTA" is the common name for an Interest on Lawyer Trust  
Account.

28 <sup>5</sup> Pursuant to Local Rule 5.2-1, only the city and state of  
residence addresses are set forth in this Complaint



1       q. All right and title to the real property located in Sedona,  
2 Arizona titled in the name of Creek Hideaway, LLC ("Sedona  
3 Property"), APN 405-06-001B, including all appurtenances,  
4 improvements, and attachments thereon, as well as all leases, rents,  
5 and profits derived therefrom;

6       r. All right and title to the real property located in  
7 Paradise Valley, Arizona titled in the name of Lacey ("Paradise  
8 Valley Property 2"), APN 164-05-122, including all appurtenances,  
9 improvements, and attachments thereon, as well as all leases, rents,  
10 and profits derived therefrom;

11                   **ASSETS HELD BY OR FOR THE BENEFIT OF JAMES LARKIN:**

12       s. \$1,546,076.35 seized from Republic Bank of Arizona account  
13 '1889 ("RBA '1889 Funds" or "Account 13"), held in the name of James  
14 Larkin ("Larkin");

15       t. \$1,001,731.18 seized from Republic Bank of Arizona account  
16 '2592 ("RBA '2592 Funds" or "Account 14"), held in the name of  
17 Larkin;

18       u. \$206,156.00 seized from Republic Bank of Arizona account  
19 '1938 ("RBA '1938 Funds" or "Account 15"), held in the name of  
20 Larkin;

21       v. \$501,248.14 seized from Republic Bank of Arizona account  
22 '8103 ("RBA '8103 Funds" or "Account 16"), held in the name of  
23 Larkin;

24       w. \$251,436 seized from Republic Bank of Arizona account '8162  
25 ("RBA '8162 Funds" or "Account 17"), held in the name of Larkin;

26       x. Any and all funds on deposit in Republic Bank of Arizona  
27 account '8189 ("RBA '8189 Funds" or "Account 18"), held in the name  
28 of Larkin. RBA is holding the account until it matures, at which

1 time RBA will issue a check to the government for all funds in  
2 Account 18;

3 y. \$621,832.06 in U.S. currency seized from Perkins Coie Trust  
4 Company account '0012 ("PCTC '0012 Funds" or "Account 19"), held in  
5 the name of Margaret Larkin ("M. Larkin");

6 z. \$9,882,828.72 in securities or investment instruments  
7 seized from Perkins Coie Trust Company account '0012 ("PCTC  
8 Investment Funds" or "Account 20"), held in the name of M. Larkin;

9 aa. \$34,149,280.00 seized from Acacia Conservation Fund LP  
10 account '2020 ("ACF Funds" or "Account 21"), held in the name of  
11 Ocotillo Family Trust;

12 bb. \$278.73 seized from Bank of America account '8225 ("BA  
13 '8225 Funds" or "Account 22"), held in the name of Troy C. Larkin  
14 ("T. Larkin");

15 cc. \$1,038.42 seized from Bank of America account '7054 ("BA  
16 '7054 Funds" or "Account 23"), held in the name Ramon Larkin ("R.  
17 Larkin");

18 dd. All right and title to the real property located in  
19 Paradise Valley, Arizona titled in the name of Larkin ("Paradise  
20 Valley Property 1"), APN 173-11-006C, including all appurtenances,  
21 improvements, and attachments thereon, as well as all leases, rents,  
22 and profits derived therefrom;

23 ee. All right and title to the real property located in Saint  
24 Helena, California titled in the name of Larkin and M. Larkin,  
25 Trustees for Ocotillo Family Trust ("Saint Helena Property"), APN  
26 030-050-028-000, including all appurtenances, improvements, and  
27 attachments thereon, as well as all leases, rents, and profits  
28 derived therefrom;

1 ff. All right and title to the real property located in  
2 Chicago, Illinois titled in the name of John C. Larkin ("J.C.  
3 Larkin"), M. Larkin and Larkin ("Chicago Property"), APN 20-14-201-  
4 079-1054, including all appurtenances, improvements, and attachments  
5 thereon, as well as all leases, rents, and profits derived therefrom;

6 **ASSETS HELD BY OR FOR THE BENEFIT OF JOHN BRUNST:**

7 gg. \$359,527.06 seized from Compass Bank account number '3825  
8 ("Compass '3825 Funds" or "Account 24"), held in the name of the  
9 John Brunst Family Trust;

10 hh. \$5,848,729.00 seized from Alliance Bernstein account '6878  
11 ("AB '6878 Funds" or "Account 25"), held in the name of the Brunst  
12 Family Trust;

13 ii. \$372,878.00 seized from Alliance Bernstein account '4954  
14 ("AB '4954 Funds" or "Account 26"), held in the name of the Brunst  
15 Family Trust;

16 jj. \$342,596.00 seized from Alliance Bernstein account '7982  
17 ("AB '7892 Funds" or "Account 27"), held in the name of the Brunst  
18 Family Trust;

19 kk. \$306,277.00 seized from Alliance Bernstein account '7889  
20 ("AB '7889 Funds" or "Account 28"), held in the name of the Brunst  
21 Family Trust;

22 ll. \$275,328.00 seized from Alliance Bernstein account '7888  
23 ("AB '7888 Funds" or "Account 29"), held in the name of the Brunst  
24 Family Trust;

25 mm. \$527,624.00 seized from Alliance Bernstein account '6485  
26 ("AB '6485 Funds" or "Account 30"), held in the name of the Brunst  
27 Family Trust;

**ASSETS HELD BY OR FOR THE BENEFIT OF SCOTT SPEAR:**

nn. \$404,374.12 seized from National Bank of Arizona account '0178 ("NBA '0178 Funds" or "Account 31"), held in the name of Scott Spear ("Spear");

oo. \$1,925.80 seized from National Bank of Arizona account '0151 ("NBA '0151 Funds" or "Account 32"), held in the name of Spear and Ellona Spear ("E. Spear"); and

pp. \$613,573.28 seized from National Bank of Arizona account '3645 ("NBA '3645 Funds" or "Account 33"), held in the name of Spear and E. Spear Family Trust.

qq. \$260,283.40 seized from National Bank of Arizona account '6910 ("NBA '6910 Funds" or "Account 34"), held in the name of Spear and E. Spear Family Trust.

rr. \$64,552.82 seized from or frozen in Ascensus Broker Services '4301 ("ABS '4301 Funds" or "Account 35"), held in the name of Natasha Spear ("N. Spear").

ss. \$56,902.99 seized from or frozen in Ascensus Broker Services '8001 ("ABS '8001 Funds" or "Account 36"), held in the name of N. Spear.

**FUNDS HELD IN THE NAME OF PRIMUS TRUST**

tt. \$16,500,000 seized from K&H account '1210 ("K&H '1210 Funds" or "Account 37"), held in the name of Primus Trust, with Lacey being at least one of the beneficiaries of the Trust. The bank is located in Hungary.

**FUNDS HELD IN THE NAME OF GOLD LEAF SRO**

uu. €1,680,028.85 seized from Fio account '2226 ("Fio '2226 Funds" or "Account 38"), held in the name of the Gold Leaf SRO. The bank is located in the Czech Republic;

1           vv. £60.98 seized from Fio account '2231 ("Fio '2231 Funds" or  
2 "Account 39"), held in the name of the Gold Leaf SRO. The bank is  
3 located in the Czech Republic;

4           ww. \$72.87 seized from Fio account '2230 ("Fio '2230 Funds" or  
5 "Account 40"), held in the name of the Gold Leaf SRO. The bank is  
6 located in the Czech Republic;

7                   **FUNDS HELD IN THE NAME OF PROTECCTIO SRO**

8           xx. €3,213,937.82 seized from Fio account '4194 ("Fio '4194  
9 Funds" or "Account 41"), held in the name of the Protecctio SRO. The  
10 bank is located in the Czech Republic;

11           yy. \$52.90 seized from Fio account '4196 ("Fio '4196 Funds" or  
12 "Account 42"), held in the name of the Protecctio SRO. The bank is  
13 located in the Czech Republic;

14           zz. £52.65 seized from Fio account '4198 ("Fio '4198 Funds" or  
15 "Account 43"), held in the name of the Protecctio SRO. The bank is  
16 located in the Czech Republic;

17                   **FUNDS HELD IN THE NAME OF VARICOK COMPANY SRO**

18           aaa. €605,976.95 seized from Fio account '8083 ("Fio '8083  
19 Funds" or "Account 44"), held in the name of the Varicok Company SRO.  
20 The bank is located in the Czech Republic;

21           bbb. £458.99 seized from Fio account '8086 ("Fio '8086 Funds" or  
22 "Account 45"), held in the name of the Varicok Company SRO. The bank  
23 is located in the Czech Republic;

24           ccc. \$48.10 seized from Fio account '8080 ("Fio '8080 Funds" or  
25 "Account 46"), held in the name of the Varicok Company SRO. The bank  
26 is located in the Czech Republic.

27                   **FUNDS HELD IN THE NAME OF AD TECH BV**

28           ddd. Any and all funds seized from Bank Frick account 'K000 K

1 ("BF 'K000 K Funds" or "Account 47") on or about June 1, 2018, held  
2 in the name of Ad Tech BV. The bank is located in the Principality  
3 of Liechtenstein;

4 eee. Any and all funds seized from Bank Frick account 'K000 U  
5 ("BF 'K000 U Funds" or "Account 48") on or about June 1, 2018, held  
6 in the name of Ad Tech BV. The bank is located in the Principality  
7 of Liechtenstein;

8 fff. Any and all funds seized from Bank Frick account 'K000 E  
9 ("BF 'K000 E Funds" or "Account 49") on or about June 1, 2018, held  
10 in the name of Ad Tech BV. The bank is located in the Principality  
11 of Liechtenstein;

12 ggg. Any and all funds seized from Bank Frick account 'K001 K  
13 ("BF 'K001 K Funds" or "Account 50") on or about June 1, 2018, held  
14 in the name of Ad Tech BV. The bank is located in the Principality  
15 of Liechtenstein.

16 **FUNDS HELD IN THE NAME OF PROCOP SERVICES BV**

17 hhh. Any and all funds seized from Knab Bank account '7664 ("KB  
18 '7664 Funds" or "Account 51") on or about May 24, 2018, held in the  
19 name of Procop Services BV. The bank is located in the Kingdom of  
20 the Netherlands.

21 **FUNDS HELD IN THE NAME OF GULIETTA GROUP BV**

22 iii. Any and all funds seized from Rabo Bank account '2452 ("RB  
23 '2452 Funds" or "Account 52") on or about May 24, 2018, held in the  
24 name of the Gulietta Group BV. The bank is located in the Kingdom of  
25 the Netherlands.

26 **FUNDS HELD IN THE NAME OF UNIVERSADS BV**

27 jjj. Any and all funds seized from Rabo Bank account '4721 ("RB  
28 '4721 Funds" or "Account 53") on or about May 24, 2018, held in the

1 name of the UniversAds BV. The bank is located in the Kingdom of the  
2 Netherlands.

3 **FUNDS HELD IN THE NAME OF OLIST OU**

4 kkk. Any and all funds seized from LHV Pank account number '4431  
5 ("LHVP '4431 Funds" or "Account 54") on or about June 15, 2018, held  
6 in the name of Olist Ou ("Ou"). The bank is located in the Republic  
7 of Estonia.

8 **FUNDS HELD IN THE NAME OF CASHFLOWS EUROPE LIMITED**

9 lll. £747,664.15 seized from Saxo Payments account '1262 ("SP  
10 '1262 Funds" or "Account 55"), held in the name of the Cashflows  
11 Europe Limited ("Cashflows"). Cashflows is holding these funds for  
12 the benefit of Gulietta Group B.V., Universads B.V, Procop Services  
13 B.V., and Proteccio SRO, each of which is an entity owned or  
14 controlled by Backpage (defined below). United Kingdom law  
15 enforcement officials have restrained the funds held by these four  
16 companies and consolidated them into this Saxo Payments account. The  
17 bank is located in the United Kingdom.

18 **ASCIO/WMB INC DOMAIN NAMES<sup>6</sup>**

19 mmm. atlantabackpage.com; backpage.be; backpage.com;  
20 backpage.com.br; backpage.cz; backpage.dk; backpage.ee; backpage.es;  
21 backpage.fi; backpage.fr; backpage.gr; backpage.hu; backpage.ie;  
22 backpage.it; backpage.lt; backpage.mx; backpage.net; backpage.no;  
23 backpage.pl; backpage.pt; backpage.ro; backpage.si; backpage.sk;  
24 backpage.us; backpage-insider.com; bestofbackpage.com;

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25  
26 <sup>6</sup> Backpage, which operated principally online, controlled  
27 numerous internet domain names. These domain names were registered  
28 by "ASCIO TECHNOLOGIES INC" DBA "NETNAMES," a domain registrar.  
Domain registrars serve to ensure that a registered domain name is  
not licensed to more than one user. Domain registration allows the  
owner of the domain to direct internet traffic to a specific  
webserver.

bestofbigcity.com; bigcity.com; chicagobackpage.com;  
denverbackpage.com; newyorkbackpage.com;  
phoenixbackpage.com; sandiegobackpage.com; seattlebackpage.com; and  
tampabackpage.com (collectively, the "Seized Domain Names"), and all  
rights and privileges associated therewith.

**SURRENDERED<sup>7</sup> DOMAIN NAMES**

nnn. admoderation.com; admoderators.com; adnet.ws;  
adplace24.com; adplaces24.com; adpost24.com; adpost24.cz;  
adquick365.com; adreputation.com; ads-posted-mp.com; adsplace24.com;  
adspot24.com; adspots24.com; adsspot24.com; adtechbv.co.nl;  
adtechbv.com; adtechbv.nl; advert-ep.com; adverts-mp.com; axme.com;  
back0age.com; backpa.ge; backpagee.com; backpage-insider.com;  
backpage.adult; backpage.ae; backpage.at; backpage.ax; backpage.be;  
backpage.bg; backpage.bg; backpage.ca; backpage.cl; backpage.cn;  
backpage.cn; backpage.co.id; backpage.co.nl; backpage.co.nl;  
backpage.co.nz; backpage.co.uk; backpage.co.ve; backpage.co.za;  
backpage.com; backpage.com.ar; backpage.com.au; backpage.com.ph;  
backpage.cz; backpage.dk; backpage.ec; backpage.ee; backpage.ee;  
backpage.es; backpage.fi; backpage.fi; backpage.fr; backpage.fr;  
backpage.gr; backpage.gr; backpage.hk; backpage.hk; backpage.hu;  
backpage.hu; backpage.ie; backpage.in; backpage.it; backpage.jp;  
backpage.kr; backpage.lt; backpage.lv; backpage.lv; backpage.me;  
backpage.mx; backpage.my; backpage.net; backpage.nl; backpage.no;  
backpage.no; backpage.nz; backpage.pe; backpage.ph; backpage.pk;  
backpage.pl; backpage.porn; backpage.pt; backpage.ro; backpage.ro;

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<sup>7</sup> On April 5, 2018, in the District of Arizona, Backpage.com, LLC and related entities plead guilty to 18 U.S.C. § 1956(h) (money laundering conspiracy). Pursuant to its guilty plea, Backpage surrendered certain assets, including those identified herein.



1 backpage.se; backpage.sex; backpage.sg; backpage.si; backpage.si;  
2 backpage.sk; backpage.sk; backpage.sucks; backpage.tw; backpage.uk;  
3 backpage.uk.com; backpage.us; backpage.vn; backpage.xxx;  
4 backpage.xyz; backpagecompimp.com; backpagecompimps.com;  
5 backpagepimp.com; backpagepimps.com; backpageg.com; backpagegm.com;  
6 backpagu.com; backpaoe.com; backpawe.com; backqage.com; backrage.com;  
7 backxage.com; bakkpage.com; bcklistings.com; bestofbackpage.com;  
8 bestofbigcity.com; bickpage.com; bigcity.com; bpclassified.com;  
9 bpclassifieds.com; carlferrer.com; clasificadosymas.com;  
10 clasificadosymas.net; clasificadosymas.org;  
11 classifiedsolutions.co.uk; classifiedsolutions.net;  
12 classyadultads.com; columbusbackpage.com; connecticutbackpage.com;  
13 cracker.co.id; cracker.com; cracker.com.au; cracker.id;  
14 cracker.net.au; crackers.com.au; crackers.net.au; ctbackpage.com;  
15 dallasbackpage.com; denverbackpage.com; easypost123.com;  
16 easyposts123.com; emais.com.pt; evilempire.com; ezpost123.com;  
17 fackpage.com; fastadboard.com; guliettagroup.nl; http.org;  
18 ichold.com; internetspeechfoundation.com;  
19 internetspeechfoundation.org; loads2drive.com; loadstodrive.com;  
20 loadtodrive.com; losangelesbackpage.com; mediafilecloud.com;  
21 miamibackpage.com; minneapolisbackpage.com; mobileposting.com;  
22 mobilepostings.com; mobilepostlist.com; mobilposting.com; naked.city;  
23 nakedcity.com; newyorkbackpage.com; paidbyhour.com; petseekr.com;  
24 petsfindr.com; phoenixbackpage.com; posteasyl23.com; postfaster.com;  
25 postfastly.com; postfastr.com; postonlinewith.com; postonlinewith.me;  
26 postseasyl23.com; postsol.com; postszone24.com; postzone24.com;  
27 postzones24.com; rentseekr.com; results911.com; sandiegobackpage.com;  
28 sanfranciscobackpage.com; seattlebackpage.com; sellyostuffonline.com;

1 sfbackpage.com; simplepost24.com; simpleposts24.com; svc.ws;  
 2 truckrjobs.com; ugctechgroup.com; universads.nl;  
 3 villagevoicepimps.com; websitetechnologies.co.uk;  
 4 websitetechnologies.com; websitetechnologies.net;  
 5 websitetechnologies.nl; websitetechnologies.org; weprocessmoney.com;  
 6 wst.ws; xn--yms-fla.com; ymas.ar.com; ymas.br.com; ymas.br.com;  
 7 ymas.bz; ymas.bz; ymas.cl; ymas.cl; ymas.co.bz; ymas.co.bz;  
 8 ymas.co.cr; ymas.co.cr; ymas.co.ni; ymas.co.ni; ymas.co.ve;  
 9 ymas.co.ve; ymas.com; ymas.com.br; ymas.com.br; ymas.com.bz;  
 10 ymas.com.bz; ymas.com.co; ymas.com.co; ymas.com.do; ymas.com.do;  
 11 ymas.com.ec; ymas.com.ec; ymas.com.es; ymas.com.es; ymas.com.gt;  
 12 ymas.com.gt; ymas.com.hn; ymas.com.hn; ymas.com.mx; ymas.com.ni;  
 13 ymas.com.ni; ymas.com.pe; ymas.com.pe; ymas.com.pr; ymas.com.pr;  
 14 ymas.com.pt; ymas.com.uy; ymas.com.uy; ymas.com.ve; ymas.com.ve;  
 15 ymas.cr; ymas.cr; ymas.do; ymas.do; ymas.ec; ymas.ec; ymas.es;  
 16 ymas.es; ymas.org; ymas.pe; ymas.pe; ymas.pt; ymas.us; ymas.us;  
 17 ymas.uy; ymas.uy; and ymas.uy.com (collectively, the "Surrendered  
 18 Domain Names"), and all rights and privileges associated therewith.

19 **OTHER BACKPAGE SURRENDERED ASSETS**

20 ooo. \$699,940.00 surrendered on or about April 6, 2018, from ING  
 21 Bank account '7684, ("ING '7684 Funds"), held in the name of Payment  
 22 Solutions BV.

23 ppp. \$106,988.41 surrendered on or about April 6, 2018, from ING  
 24 Bank account '2071 ("ING '2071 Funds"), held in the name of Payment  
 25 Solutions BV.

26 qq. \$499,910.01 surrendered on or about April 6, 2018, from US  
 27 Bank account '0239 ("US Bank '2039 Funds"), held in the name of  
 28 Affordable Bail Bonds LLC.

1           rrr. \$50,000.00 surrendered on or about April 6, 2018, from  
2 Enterprise Bank and Trust account '7177 ("EBT '7177 Funds"), held in  
3 the name of Global Trading Solutions LLC.

4           sss. \$1,876.36 surrendered on or about August 23, 2018, from ING  
5 Bank account '2071 ("ING '2071 Funds"), held in the name of Payment  
6 Solutions BV.

7           ttt. \$50,357.35 surrendered on or about August 24, 2018, from  
8 ING Bank account '7684 ("ING '7684 Funds"), held in the name of  
9 Payment Solutions BV.

10           uuu. \$248,970.00 surrendered on or about May 11, 2018, from  
11 Citibank NA, account '0457 ("Citibank NA '0457 Funds"), held in the  
12 name of Paul Hastings LLP.

13           vvv.     \$52,500.00 surrendered on or about June 25, 2018, from  
14           www. Enterprise Bank and Trust account '7177 ("EBT '7177  
15 Funds"), held in the name of Global Trading Solutions LLC.

16           xxx. \$65,000.00 surrendered on or about July 18, 2018, from  
17 Enterprise Bank and Trust account '7177 ("EBT '7177 Funds"), held in  
18 the name of Global Trading Solutions LLC.

19           yyy. \$5,534.54 surrendered on or about August 9, 2018, from  
20 Enterprise Bank and Trust account '7177 ("EBT '7177 Funds"), held in  
21 the name of Global Trading Solutions LLC.

22           zzz. \$40,000.00 surrendered on or about July 16, 2018, from  
23 Crypto Capital

24           aaaa.     6 Bitcoins surrendered on or about April 6, 2018, from  
25 a Backpage controlled wallet;

26           bbbb.     199.99995716 Bitcoins surrendered on or about April 6,  
27 2018, from a Backpage controlled wallet;

28           cccc.     404.99984122 Bitcoins surrendered on or about April 6,

1 2018, from a Backpage controlled wallet;  
 2 dddd. 173.97319 Bitcoins surrendered on or about April 26,  
 3 2018, from a Backpage controlled wallet;  
 4 eeee. 411.00019 Bitcoins surrendered on or about April 13,  
 5 2018, from a Backpage controlled wallet;  
 6 ffff. 2.00069333 Bitcoins surrendered on or about May 7,  
 7 2018, from a Backpage controlled wallet;  
 8 gggg. 136.6544695 Bitcoins surrendered on or about June 15,  
 9 2018, from a Backpage controlled wallet;  
 10 hhhh. 2,673.59306905 Bitcoins Cash surrendered on or about  
 11 April 26, 2018, from a Backpage controlled wallet;  
 12 iiii. 55.5 Bitcoins Cash surrendered on or about May 3,  
 13 2018, from a Backpage controlled wallet;  
 14 jjjj. 73.62522241 Bitcoins Cash surrendered on or about June  
 15 15, 2018, from a Backpage controlled wallet;  
 16 kkkk. 16,310.79413202 Litecoins surrendered on or about  
 17 April 26, 2018, from a Backpage controlled wallet;  
 18 llll. 783.9735116 Litecoins surrendered on or about June 15,  
 19 2018, from a Backpage controlled wallet;  
 20 mmmm. 509.81904619 Bitcoins Gold surrendered on or about  
 21 June 21, 2018, from a Backpage controlled wallet; and  
 22 nnnn. \$3,713,121.03 surrendered on or about August 13, 2018,  
 23 from Bank of America account '3414, held in the name of Davis Wright  
 24 Tremaine, LLP.

#### **NATURE OF THE ACTION AND CLAIMS FOR RELIEF**

25  
 26 5. This is a civil action *in rem* to forfeit assets derived  
 27 from or traceable to proceeds of one or more crimes defined as  
 28 "specified unlawful activity" ("SUA"); and/or involved in one or more

1 conspiracies to launder money, internationally launder money for  
2 promotion of one or more SUA, and/or financial transactions involving  
3 illicit proceeds. The property sought for forfeiture is located in  
4 the United States and abroad, including the Country of Hungary, the  
5 Czech Republic, the Principality of Liechtenstein, and the Kingdom of  
6 the Netherlands.

7 6. The Subject Assets, including the Defendant Asset,  
8 represent property derived from or traceable to proceeds to multiple  
9 knowing violations of federal laws constituting SUA, including 18  
10 U.S.C. §§ 1591 (Sex Trafficking of Children) and 1952 (Interstate and  
11 Foreign Travel in Aid of Racketeering Enterprise). The Defendant  
12 Asset is therefore subject to forfeiture pursuant to 18 U.S.C. §  
13 981(a)(1)(C).

14 7. Further, the Subject Assets, including the Defendant Asset,  
15 represent property involved in or traceable to one or more  
16 transactions or attempted transactions in violation of:

17 a. 18 U.S.C. § 1956(a)(1)(B)(i) (Money Laundering for  
18 Concealment) and a conspiracy to commit such offenses, in violation  
19 of 18 U.S.C. § 1956(h);

20 b. 18 U.S.C. § 1956(a)(2) (International Money Laundering for  
21 Promotion) and a conspiracy to commit such offenses, in violation of  
22 18 U.S.C. § 1956(h); and

23 c. 18 U.S.C. § 1957 (Monetary Transactions with Proceeds of  
24 SUA) and a conspiracy to commit such offenses, in violation of 18  
25 U.S.C. § 1956(h).

26 The Defendant Asset is therefore subject to forfeiture pursuant to 18  
27 U.S.C. § 981(a)(1)(A).

**JURISDICTION AND VENUE**

8. This civil forfeiture action is brought pursuant to 18 U.S.C. § 981(a)(1).

9. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1345 and 1355.

10. Venue lies in this district pursuant to 28 U.S.C. §§ 1355(b)(1)(A) or 1355(b)(2) because acts and omissions giving rise to the forfeiture took place in the Central District of California and/or 28 U.S.C. § 1395(b), because certain of the Subject Assets are located in the Central District of California.

**INDIVIDUALS AND ENTITIES**

11. Backpage.com, LLC, ("Backpage") incorporated in Delaware in 2004, was an internet-based company that allowed customers to post on-line classified advertisements. These advertisements were posted in a variety of categories, including adult, automotive, community, dating, jobs, local places, musicians, rentals and services. Prior to its closure by federal law enforcement authorities in April 2018, Backpage was visited by 75 to 100 million unique internet visitors per month.

12. Between 2004 and April 2018, Backpage realized annual profits of tens of millions of dollars from adult advertisements. Historically, the adult category, where Backpage advertisers posted sex trafficking ads, made up less than ten percent of all the website's advertisements. However, those ads generated more than 90 percent of Backpage's revenue.

13. Lacey was a co-creator of Backpage.com who was responsible for the website's policies and strategic direction. Lacey maintained significant control over the website during the relevant period

1 described in this complaint, and continued to receive tens of  
2 millions of dollars in Backpage-related distributions even after  
3 purportedly selling his interest in Backpage in 2015.

4 14. Larkin was a co-creator of Backpage.com who was responsible  
5 for the website's policies and strategic direction. Larkin  
6 maintained significant control over the website during the relevant  
7 period described in this complaint, and continued to receive tens of  
8 millions of dollars in Backpage-related distributions even after  
9 purportedly selling his interest in Backpage in 2015.

10 15. Carl Ferrer ("Ferrer"), though not an original owner, was a  
11 co-creator and one of the original officers of Backpage, having  
12 initially served as Backpage's vice-president, and later as CEO.  
13 Ferrer is also the CEO of several Backpage-related entities in the  
14 Netherlands, including "Website Technologies," "Amstel River  
15 Holdings," and "Ad Tech BV."

16 16. John "Jed" Brunst ("Brunst") was a minority owner of  
17 Backpage who owned 5.67 percent of the company at the time of its  
18 inception. Brunst served as the Chief Financial Officer of Backpage  
19 and several of Backpage's parent companies.

20 17. Spear was a minority owner of Backpage who owned 4.09  
21 percent of the company at the time of its inception. Spear served as  
22 Executive Vice President of one of Backpage's parent companies.

23 18. "M.G." had no formal position at Backpage, but was the  
24 President, Chief Executive Officer, Treasurer, and Secretary of  
25 Posting Solutions LLC, a wholly owned Backpage subsidiary with a  
26 principal place of business in Dallas, Texas ("Posting Solutions"),  
27 which accepted payments from Backpage advertisers. M.G. was also the  
28 Chief Financial Officer of Website Technologies, and directed and

1 controlled many of the international and domestic financial  
2 transactions of Backpage and its related entities.

3 19. Daniel Hyer ("Hyer") served as Backpage's Sales and  
4 Marketing Director. He remained an account signatory for numerous  
5 Backpage-controlled entities, including Website Technologies, until  
6 Backpage's closure.

7 20. Andrew Padilla ("Padilla") served as Backpage's Operations  
8 Manager.

9 21. Joye Vaught ("Vaught") served as Backpage's assistant  
10 Operations Manager.

11 22. Lacey, Larkin, Ferrer, Brunst, Spear, M.G., Hyer, Padilla,  
12 and Vaught are referred to collectively herein as "Backpage  
13 Operators."

#### 14 EVIDENCE SUPPORTING FORFEITURE

##### 15 **I. The Formation and Evolution of Backpage**

16 23. Lacey and Larkin were the founders of the *Phoenix New*  
17 *Times*, an alternative newspaper based in Arizona. Lacey and Larkin  
18 subsequently acquired several other alternative newspapers that they  
19 operated through an entity called Village Voice Media Holdings  
20 ("VVMH"). Spear served as VVMH's Executive Vice President and Brunst  
21 served as VVMH's Chief Financial Officer.

22 24. As far back as the 1980's, VVMH publications routinely  
23 included ads for prostitution.

24 25. By 2000, the popularity of the website [www.craigslist.com](http://www.craigslist.com)  
25 ("Craigslist"), which offered free classified ads that included  
26 prostitution ads, began to disrupt VVMH's business, which depended on  
27 classified advertising revenue.

28 26. Lacey and Larkin, assisted by Ferrer, sought to address



1 this disruption by creating Backpage, which would compete directly  
2 with Craigslist. As stated in an internal Backpage document, "[I]n  
3 2004, in response to the Craigslist threat that was decimating daily  
4 newspapers, VVMH launched its own online classified site,  
5 Backpage.com, named after the back page of VVMH's print publication."

6 27. From 2004 until 2015, Lacey and Larkin bore primary  
7 responsibility for Backpage's policies and strategic direction. In  
8 2015, Lacey and Larkin purported to sell to Ferrer all or  
9 substantially all of their respective interests in Backpage. In  
10 fact, Lacey and Larkin retained significant control over Backpage,  
11 and both continued to receive millions of dollars of annual  
12 distributions of Backpage revenue after the purported sale.

13 28. From its inception, most of Backpage's earnings represented  
14 the proceeds of illegal activity, specifically prostitution and sex  
15 trafficking, including child sex trafficking. By 2015, the major  
16 credit card companies were refusing to process payments to or for  
17 Backpage, and banks were closing Backpage's accounts out of concern  
18 the accounts were being used for illegal purposes.

19 29. In response to these measures, the Backpage Operators  
20 initiated and pursued a wide variety of money laundering strategies  
21 and techniques designed, in part, to conceal the source and location  
22 of the revenues generated by Backpage ads, including ads for human  
23 trafficking and illegal prostitution. These strategies included (a)  
24 instructing customers to send checks and money orders to a Post  
25 Office box, funneling those funds into bank accounts held in the  
26 names of entities with no apparent connection to Backpage, and then  
27 giving customers a corresponding "credit" to purchase Backpage ads;  
28 (b) accepting Backpage proceeds through foreign bank accounts and

1 thereafter redirecting the funds to Backpage Operators in the U.S.  
 2 and abroad, or transferring the funds back to domestic bank accounts  
 3 (to conceal the nature, source, location, ownership and control of  
 4 those funds and promote Backpage's ongoing illegal operations); and  
 5 (c) converting customers payments and the proceeds of Backpage's  
 6 illegal business into and out of digital currency.<sup>8</sup>

## 7 **II. The Sources and Manipulation of Backpage Criminal Proceeds**

### 8 **A. Backpage Promotion of Prostitution and Sex Trafficking**

9 30. Numerous Backpage ads were used to sell minors for sex and  
 10 forcibly traffic adult women for sex. Among the pimps and sex  
 11 traffickers who used Backpage to advertise their victims were many  
 12 who were later convicted of sex trafficking offenses. For example,

13 a. During 2014 and 2015, a pimp sold S.F., a minor girl, for  
 14 sex. The pimp advertised S.F. on Backpage's "Escort" section in the  
 15 Los Angeles area of California and in Arizona. The ad contained  
 16 phrases such as "New In Town" and "Sexy Dark Asian Bombshell with a  
 17 Nice & Tight {Booty}." The ad selling S.F. on Backpage included  
 18 multiple pictures showing her legs, stomach, shoulders and buttocks.  
 19 The pimp who placed the ad was ultimately arrested, convicted on  
 20 state sex trafficking charges, and sentenced to 196 years  
 21 imprisonment.

22 b. During 2014 and 2015, the same pimp sold A.C., a minor  
 23 girl, for sex. In November 2014, at the age of 17, A.C. was first  
 24

---

25 <sup>8</sup> Digital currency (also known as crypto-currency) is generally  
 26 defined as an electronic-sourced unit of value that can be used as a  
 27 substitute for fiat currency (i.e., currency created and regulated by  
 28 a sovereign government). It exists entirely on the Internet and is  
 not stored in any physical form. It is not issued by any government,  
 bank, or company, but is instead generated and controlled through  
 computer software operating on a decentralized peer-to-peer network.  
 Bitcoins, Bitcoins Cash and Litecoin are types of crypto-currency.

1 sold for sex through a Backpage ad using phrases such as "NEW IN  
2 TOWN," "sexy sweet," and "sweet like honey but super hot like fire."  
3 The Backpage ad selling A.C. included pictures of her showing her  
4 legs, stomach, shoulder, and buttocks, and posed in sexually  
5 provocative positions.

6 c. Between November and December 2015, a pimp drove two women  
7 and four minor girls (T.S., S.L., K.O., and R.W.) from Columbus, Ohio  
8 to a hotel in St. Charles, Missouri. The next day, the pimp told the  
9 girls to post ads on Backpage.com. Some of the girls took calls and  
10 engaged in paid sex acts with Backpage customers who responded to the  
11 ads. The ads the girls posted included pictures of them on a bed  
12 showing their buttocks. Another image featured a naked girl's body  
13 pressed against a mirror. Other pictures appeared more mundane, such  
14 as images of girls posing clothed in front of a mirror. However,  
15 these ads used phrases like "I'm sweet as a treat maybe even sweeter"  
16 and "not a lot need to be said. my pic are 100% real." In 2017, this  
17 pimp was convicted of Federal sex trafficking charges and sentenced  
18 to 300 months in prison.

19 d. In or around 2010, in Washington, J.S., a minor girl, was  
20 sold for sex through the use of Backpage ads. J.S.'s pimp drafted  
21 the ads, which contained words and phrases such as,  
22 "W'E'L'L\_W'O'R'T'H\_I'T\*\*\*^\*\*\*150HR" and "IT WONT TAKE LONG AT ALL."  
23 The ads included pictures of J.S. in provocative positions showing  
24 her breasts and buttocks. On March 29, 2011, the pimp who sold J.S.  
25 for sex was sentenced to over 26 years imprisonment on Federal  
26 charges related to sex trafficking.

27 e. Between 2011 and 2016, a female victim, D.O., who was  
28 between the ages of 14 and 19 during those years, was sold for sex

1 through Backpage ads. D.O.'s female pimp instructed D.O. that  
2 Backpage was the safest place to advertise because Backpage did not  
3 require age verification. D.O.'s Backpage ads included words and  
4 phrases that were indicative of prostitution, such as "roses" (money)  
5 and "back door" (anal sex). Some of the customers who responded to  
6 D.O.'s Backpage ads forced D.O. to perform sexual acts at gunpoint,  
7 choked her to the point of having seizures, and gang-raped her.

8 31. Plaintiff alleges that all levels of Backpage management,  
9 including the Backpage Operators, were aware of Backpage's role in  
10 promoting criminal activity. For example:

11 a. On September 21, 2010, a group of state attorneys general  
12 ("AG") wrote a letter to Backpage observing that "ads for  
13 prostitution-including ads trafficking children-are rampant on the  
14 site," and arguing that "[b]ecause Backpage cannot, or will not,  
15 adequately screen these ads, it should stop accepting them  
16 altogether." The state AGs acknowledged that this step would cause  
17 Backpage to, "lose the considerable revenue generated by the adult  
18 services ads," but stated that "no amount of money can justify the  
19 scourge of illegal prostitution, and the misery of the women and  
20 children who will continue to be victimized in the marketplace  
21 provided by Backpage."

22 b. Also in mid-September 2010, Ferrer wrote an email  
23 explaining that Backpage was unwilling to delete ads that included  
24 terms indicative of prostitution because doing so would "piss[] off a  
25 lot of users who will migrate elsewhere," and force Backpage to  
26 refund those customers' fees.

27 c. In January 2017, the U.S. Senate Subcommittee on Permanent  
28 Investigations ("Subcommittee") conducted a lengthy investigation

1 into sex trafficking and Backpage, resulting in a 50-page report  
2 entitled "Backpage.com's Knowing Facilitation of Online Sex  
3 Trafficking." The report concluded, among other things, that  
4 virtually all of Backpage's "adult" ads were actually solicitations  
5 for illegal prostitution services and that "Backpage [] maintained a  
6 practice of altering ads before publication by deleting words,  
7 phrases, and images indicative of criminality, including child sex  
8 trafficking . . . . Those practices served to sanitize the content  
9 of innumerable advertisements for illegal transactions-even as  
10 Backpage represented to the public and the courts that it merely  
11 hosted content others had created." In response to the  
12 Subcommittee's report, Backpage purported to shut down the "adult"  
13 section of its website. However, a review of several thousand  
14 Backpage ads demonstrated that the prostitution ads simply migrated  
15 to other sections of the website, where they remained accessible  
16 until the site was forced to shut down.

17 d. On August 5, 2011, Backpage received a letter from the  
18 mayor of Seattle. This letter warned, "Seattle Police have  
19 identified an alarming number of juvenile prostitutes advertised on  
20 Backpage.com since January 2010," and explained that Backpage was  
21 dissimilar from other companies whose products and services are  
22 "occasionally or incidentally" utilized by criminals because "[y]our  
23 company is in the business of selling sex ads" and "your services are  
24 a direct vehicle for prostitution." The letter recommended that  
25 Backpage require in-person age verification for all of the "escorts"  
26 depicted in its ads. Backpage never instituted an in-person age  
27 verification requirement.

28 32. Backpage instituted and maintained policies and procedures

1 designed to cultivate and sustain its promotion of sex trafficking  
2 and prostitution, but which "sanitized" some of the language Backpage  
3 customers used to advertise in order to make the advertising of sex  
4 trafficking less overt. Backpage referred to this practice as  
5 "moderation." For example:

6 a. In April 2008, Ferrer wrote an email explaining that,  
7 although he (Ferrer) was "under pressure to clean up Phoenix's adult  
8 content," he was unwilling to delete prostitution ads because doing  
9 so "would put us in a very uncompetitive position with craig[slist]"  
10 and result in "lost pageviews and revenue." Ferrer instructed  
11 Backpage's technical staff to edit the wording of such ads by  
12 removing particular terms that were indicative of prostitution, but  
13 allow the remainder of the ad to be featured on Backpage's website.

14 b. On October 8, 2010, a Backpage manager sent an email to  
15 certain Backpage employees and managers threatening to fire any  
16 Backpage employee who acknowledged, in writing, that a customer was  
17 advertising prostitution: "Leaving notes on our site that imply that  
18 we're aware of prostitution, or in any position to define it, is  
19 enough to lose your job over. . . . This isn't open for discussion.  
20 If you don't agree with what I'm saying completely, you need to find  
21 another job."

22 c. On October 16, 2010, the same Backpage manager sent an  
23 email to a large group of Backpage employees that contained two  
24 attachments providing guidance on how to "moderate" ads. The first  
25 was a PowerPoint presentation that displayed a series of 38 nude and  
26 partially-nude photographs, some of which depicted graphic sex acts.  
27 Next to each picture was an instruction as to whether it should be  
28 approved or disapproved by a Backpage moderator. These instructions

1 included "Approve. Nude rear shots are okay as long the model is not  
2 exposing her anus or genitalia." and "Approve. Rear shot okay.  
3 Transparent wet panties okay." The second attachment was an Excel  
4 spreadsheet identifying 50 terms (all of which were indicative of  
5 prostitution) that should be "stripped" from ads before publication.  
6 The Backpage manager concluded the email by stating, "[I]t's the  
7 language in ads that's really killing us with the Attorneys General.  
8 Images are almost an afterthought to them."

9 d. On October 16, 2010, the same Backpage manager sent an  
10 internal email explaining, "I'd like to still avoid Deleting ads when  
11 possible;" "we're still allowing phrases with nuance;" and "[i]n the  
12 case of lesser violations, editing should be sufficient."

13 e. On October 25, 2010, Ferrer sent an email to Padilla  
14 acknowledging that the "[i]llegal content removed" through Backpage's  
15 moderation processes was "usually money for sex act." This email  
16 also explained that, after the "sex act pics are removed," the "ad  
17 text may stay."

18 f. On October 27, 2010, a different Backpage manager sent an  
19 internal email stating that Backpage was "editing 70 to 80%" of the  
20 ads it received from customers.

21 g. On June 7, 2011, Ferrer received an inquiry from a law  
22 enforcement official about a particular ad that included the term  
23 "amber alert." In response, Ferrer acknowledged this might be "some  
24 kind of bizarre new code word for an under aged person." Ferrer then  
25 forwarded this exchange to a Backpage manager and instructed that the  
26 term "amber alert" be added to Backpage's "strip out" list.

27 h. On August 31, 2011, Backpage managers exchanged emails in  
28 which they discussed a list of 100 "solid sex for money terms."

1 Later emails indicate that this list of terms changed but, in  
2 general, the list prohibited use of certain terms that Backpage  
3 management and employees closely identified with the obvious  
4 promotion of sex trafficking and prostitution.

5 i. One Backpage manager acknowledged in the August 31, 2011  
6 email exchange that a large proportion of the ads originally  
7 submitted by Backpage's customers contained text and pictures that  
8 were indicative of sex trafficking. Nevertheless, Backpage published  
9 those ads after editing them to appear less obvious in promoting  
10 illegal activity. Backpage sex trafficking ads adapted to Backpage's  
11 moderation policy by using "phrases with nuance" when promoting sex  
12 trafficking. Following the implementation of "moderation,"  
13 Backpage's list of prohibited terms changed and evolved over time to  
14 adjust to Backpage advertisers' use of new code words to promote  
15 prostitution. In other words, once a code word or phrase not  
16 previously associated with sex-for-money became too familiar, or was  
17 deemed too closely associated with certain sex trafficking activities  
18 in the Backpage community of advertisers, Backpage's "moderation"  
19 policy would be adapted by adding such words or phrases to the  
20 "blocked" list or risk being too obvious in its promotion.

21 33. Plaintiff alleges that Backpage's policy of "moderation"  
22 only caused ads explicitly promoting sex trafficking to become more  
23 coded and implicit in the ads' purpose.

24 a. Well over half of the Backpage classified ads in various  
25 Backpage categories used terms and phrases (including "massage,"  
26 "dating," "escort" and others) that are consistent with sex  
27 trafficking and prostitution. These terms and phrases included,  
28 "roses" (money, e.g., "150 roses/half hour"), "in-call" (where the



1 customer goes to the prostitute's location), "outcall" (where the  
2 prostitute goes to the customer's location), "GFE" (girlfriend  
3 experience), and "PSE" (porn star experience).

4 b. Other Backpage ads used language that was mostly free of  
5 coded language, but included sexually provocative images. The  
6 sexually suggestive images included in these ads were typical of ads  
7 for prostitution. For example, one such ad posted in Backpage's Los  
8 Angeles dating section depicted images of a woman on a bed with her  
9 buttocks presented in a sexual manner; another included a picture of  
10 a woman's cleavage; others included pictures of women posing in  
11 sexual positions wearing lingerie and pictures of a woman bending  
12 over, revealing her naked buttocks.

13 c. Backpage's policy of moderation had the effect of causing  
14 and allowing otherwise neutral or innocuous terms to be understood  
15 within the Backpage community as coded language for sex trafficking  
16 and prostitution. Because of the evolving use of coded terms, a  
17 reader of such ads who was familiar with the particular vocabulary  
18 used in Backpage "adult" ads could readily identify coded terms and  
19 images indicating an ad for prostitution, while an uninitiated reader  
20 may not understand these terms at all, or at least not as being  
21 associated with sex-for-money.

22 34. Almost all "adult"-type Backpage ads listed phone numbers  
23 or emails that a potential customer could use to make contact with  
24 the advertiser. Comparing a sample of phone numbers and emails found  
25 within Backpage ads with phone numbers and emails that were  
26 frequently included in the memo sections of checks that Backpage  
27 advertisers use to pay Backpage for ads, revealed that the same  
28 numbers and/or email addresses appeared in multiple Backpage ads as

1 contact information. For example:

2 a. A \$25 USPS Money Order purchased on June 15, 2017, in  
3 Duarte, California, made payable to "Posting Solutions PO BOX 802426,  
4 Dallas, TX," and thereafter deposited into Account 1, bore a notation  
5 listing a phone number and the words "Dulce Latina." A search of  
6 Backpage ads showed almost 800 advertisements listing the same phone  
7 number.

8 b. A \$20 USPS Money Order purchased in Sacramento, California,  
9 and later deposited into Account 1 bore a notation listing a phone  
10 number and the words "love my lips." A search of Backpage ads  
11 revealed almost 1300 advertisements listing the same phone number.

12 c. A \$150 Wells Fargo Bank Money Order, purchased in Arizona,  
13 and made payable to "Posting Solutions," bore an email address and  
14 the words, "red hot stuff." The same email address was found to be  
15 associated with advertisements on several female escort websites that  
16 directed customers to contact an Arizona phone number ending in 2397.  
17 A search of Backpage.com for this phone number revealed approximately  
18 760 ads that included this phone number. These Backpage ads included  
19 images indicative of prostitution. For example, one such ad posted  
20 on Backpage's "massage" section included sexual images such as a  
21 woman lying on a bed wearing lingerie and a woman laying naked on her  
22 stomach. One of the ads described, "Pampering provider | Body Rub  
23 Massage | Body Shampoo | Body Scrub | 4 hands | Walk ins or  
24 appointment." Legal massage advertisements do not typically depict  
25 sexual images. This advertisement depicted sexual images and  
26 included terms like "4 hands," which is coded language describing a  
27 massage given to a customer by two women. Such advertisements are  
28 indicative of prostitution.

1        35. The Backpage ads that shared the same phone number or email  
2 address typically also included sexually suggestive images of  
3 different women. Such ads are consistent with ads posted by pimps or  
4 prostitution agencies that are using the same phone number or email  
5 to advertise different women (or girls) to prospective prostitution  
6 clients.

7        **B. Payments for Advertising on Backpage**

8        36. In order to post an ad on Backpage, an advertiser had to  
9 pay Backpage by one of several methods, including check, cash, and,  
10 until about 2015, credit card payments processed through U.S. credit  
11 card payment processors. The proceeds from these ads, the vast  
12 majority of which were sexually explicit in nature, would then be  
13 deposited into various Backpage owned or controlled bank accounts.  
14 For example, Backpage's U.S. Bank account '1165, originated in or  
15 about April 2010, received several million dollars from the revenue  
16 generated from the sale of ads, including ads promoting the  
17 trafficking of minors and illegal prostitution.

18        37. However, in or around 2015, following negative publicity  
19 associated with Backpage, some of the major credit card companies  
20 enacted what Backpage Operators termed a "blockade." Essentially,  
21 these companies refused to process credit card payments directed to  
22 Backpage. In order to circumvent the blockade, Ferrer and other  
23 Backpage Operators set up agreements with foreign persons and  
24 partners to "franchise" websites for the sole purpose of accepting  
25 credit card payments outside of the United States, with the funds  
26 being funneled to Backpage.

27        38. Also in or around 2015, in response to the blockade,  
28 Backpage designed a mechanism to allow advertisers to buy Backpage

1 "credits," which could be accomplished in several ways, including:

2 a. mailing gift cards, checks, or money orders to "Posting  
3 Solutions" at a P.O. Box in Dallas, Texas;

4 b. using a credit card to buy credits through a third-party  
5 credit card payment processor;

6 c. paying with digital currency (specifically, Backpage  
7 accepted Bitcoins, Bitcoins Cash, Litecoin, and Ethereum). If the  
8 advertiser selected this option, Backpage provided a digital currency  
9 wallet address where the advertiser could send the electronic  
10 transfer of the digital currency; and

11 d. paying with currency through a third party payment  
12 processor. Once the third-party payment processor received the  
13 currency, it would convert it to digital currency and then  
14 electronically transfer that digital currency to a Backpage digital  
15 currency wallet.

16 39. Digital Currency was processed through the subject accounts  
17 in the following way:

18 a. When Backpage received digital currency, it would aggregate  
19 the digital currency and then transfer it to a third-party exchanger  
20 like GoCoin;<sup>9</sup>

21 b. In exchange for the digital currency, the exchanger would  
22 transfer U.S. dollars from its foreign bank account(s) into Backpage  
23 operating accounts in the United States or elsewhere. The exchanger  
24 could then sell its Bitcoins on various Bitcoins markets.

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25  
26 <sup>9</sup> GoCoin is a digital currency exchanger that converts Bitcoins  
27 and another digital currency into fiat currency, like the U.S. Dollar  
28 or the Euro. GoCoin is owned by Manx Broadcasting Corporation, based  
in the Isle of Man. GoCoin has offices in Singapore and Santa  
Monica, California, and GoCoin holds bank accounts in several  
countries, most or all of which are outside the United States.

1        40.    Bitcoins payments for ads have resulted in the trafficking  
2 of minors for sex.    For example:

3        a.    On September 6, 2015, a Bitcoins account associated with  
4 the owner of the email address later convicted of having trafficked  
5 minors for sex paid Backpage about \$4 worth of Bitcoins in order to  
6 post an ad promoting the trafficking of certain victims in Palm  
7 Springs, California.

8        b.    On September 15, 2015, an email from the same email address  
9 owner indicated a payment to Backpage of about \$8 worth of Bitcoins  
10 in order to "Fund Account"<sup>10</sup> for palmsprings.backpage.com.

11       c.    On October 6, 2015, the same email address owner paid  
12 Backpage about \$1 worth of Bitcoins to "Fund Account" on  
13 palmsprings.backpage.com.

14       d.    On October 30, 2015, a Bitcoins account associated with the  
15 owner of the email address who trafficked minors for sex paid  
16 Backpage about \$1 worth of Bitcoins in order to post an ad promoting  
17 the trafficking of certain victims in Columbus, Ohio.

18       e.    On November 2, 2015, this same email address owner paid  
19 Backpage about \$1 worth of Bitcoins to "Move Ad to Top of Listings"  
20 in the Columbus, Ohio Backpage ads.

21       f.    On November 21, 2015, this same email address owner paid  
22 Backpage about \$1 worth of Bitcoins to Backpage for credit for that  
23 email owner's Backpage ad account.

24       41.    Plaintiff contends that five to ten percent of the ads  
25 posted on Backpage.com were placed within the Central District of  
26 California (including Los Angeles and Orange Counties).    Between

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27       <sup>10</sup> The email address owner provided Bitcoins to Backpage as a  
28 "Fund Account" payment, that is, payment to Backpage as credit to be  
used later to pay for Backpage ads.

1 January 10 and February 3, 2016, approximately 500,000 ads were  
2 posted on Backpage.com and paid for with Bitcoins, for which Backpage  
3 received over \$3,840,000 in revenue. Of these approximately 500,000  
4 ads, approximately 28,400 were posted only in  
5 LosAngeles.Backpage.com, Ventura.Backpage.com,  
6 SanLuisObispo.Backpage.com, OrangeCounty.Backpage.com, and  
7 SanGabrielValley.Backpage.com. These specific ads generated  
8 approximately \$184,479 in revenue.

9 42. When an advertiser (or "poster") purchased an ad for  
10 prostitution using digital currency, the payment to Backpage (and  
11 certain subsequent expenditures) proceeded in the following manner:

12 a. A poster would choose a payment method online (e.g.,  
13 through Bitcoins payments);

14 b. If the poster did not already have Bitcoins, the Backpage  
15 website would direct the poster to a third-party exchanger to buy  
16 Bitcoins;

17 c. Backpage would then provide the poster with a wallet  
18 address to send a specific amount of Bitcoins;

19 d. In return for sending the required payment, the poster  
20 would receive credit that could be used to post ads on Backpage.

21 e. Backpage would sell the Bitcoins to a third party  
22 exchanger, frequently GoCoin, in batches, generally valued in  
23 hundreds of thousands, of dollars in order to convert the Bitcoins  
24 into U.S. or foreign fiat currency, which GoCoin generally, if not  
25 always, would hold in foreign bank accounts;

26 f. GoCoin would then wire funds from foreign accounts to  
27 either (1) Backpage controlled foreign accounts; or (2) Backpage  
28 controlled operating accounts in the United States;

1           g.    These accounts were held and controlled by Backpage  
2 Operators in the names of entities controlled by Backpage, including  
3 Ad Tech BV, Posting Solutions, Website Technologies, and Cereus  
4 Properties.

5           h.    The funds derived from these foreign transactions would be  
6 used by Backpage to pay service providers, like Verizon in Los  
7 Angeles, or transferred to Backpage Operators' accounts and accounts  
8 held in their family members' names.

9           i.    For example:

10           a.    In March 2015, Ad Tech BV, a Netherlands based  
11 company, listing Ferrer as CEO and M.G. as CFO, opened a bank account  
12 in the Liechtenstein (the "Netherlands Account"). M.G. is the  
13 President, CEO, Treasurer and Secretary of Posting Solutions. From  
14 March 2015 through November 2017, the Netherlands Account received  
15 millions of dollars from Binary Trading SG PTE, Limited ("Binary  
16 Trading"). On April 4, 2017, M.G. sent an email to employees of the  
17 bank that maintains the Netherlands Account. The email explained:

18           Binary Capital is our trading partner, they hold money in  
19 trust for Go Coin [sic]. Rather than incurring 3 sets of  
20 wire fees which make our transactions unprofitable, they  
21 act as our agent and disburse payments directly from our  
22 trust account to our merchant.

23           b.    For the period of September 4 through November 23,  
24 2015, Backpage advertisers used Bitcoins to purchase about 1,000,000  
25 "adult" ads from Backpage. Backpage then sold those Bitcoins to  
26 GoCoin for approximately \$8.6 million. Included among the Bitcoins  
27 sold to GoCoin during this period were payments pimps made to  
28 Backpage to purchase ads to promote child prostitution.

          c.    For the period of December 14, 2015, through August

1 30, 2016, in approximately 154 wires, GoCoin accounts held in  
2 Slovakia (the "Slovakia Account") and Singapore Account (the  
3 "Singapore Account") transferred a total of approximately  
4 \$26,100,235.83 to Branch Banking & Trust account '2008, in Plano,  
5 Texas, owned by Website Technology ("Website Tech Account '2008").  
6 On January 15, 2016, the Website Tech Account '2008 transferred  
7 \$189,571 to Verizon in Los Angeles, California, in payment for  
8 Backpage internet services.

9 d. Between January 21 and August 31, 2016, Website Tech  
10 Account '2008 sent approximately 27 wire transfers totaling  
11 approximately \$48,000,000 to Arizona Bank & Trust account number  
12 '6211, belonging to Cereus Properties LLC, which is owned or  
13 controlled by Spear, Backpage, and/or other Backpage Operators.

14 **C. Bases for Forfeiture**

15 43. The Defendant Asset constitutes, and is derived from,  
16 proceeds traceable to one or more violations of: (1) 18 U.S.C. § 1591  
17 (Sex Trafficking of Children); and/or (2) U.S.C. § and 1952  
18 (Interstate and Foreign Travel in Aid of Racketeering Enterprise),  
19 each of which is SUA under 18 U.S.C. § 1956(c)(7)(A), and a  
20 conspiracy to commit such offenses.

21 44. The Defendant Asset was involved in, and is traceable to  
22 property involved in, one or more transactions or attempted  
23 transactions in violation of 18 U.S.C. § 1956(a)(1)(B)(i) and a  
24 conspiracy to commit such offenses, in violation of 18 U.S.C.  
25 § 1956(h). Specifically, the Defendant Asset was involved in and is  
26 traceable to property involved in one or more financial transactions,  
27 attempted transactions, or a conspiracy to conduct or attempt to  
28 conduct such transactions involving the proceeds of specified



1 unlawful activity, that is, 18 U.S.C. §§ 1591 and 1952, and was  
2 designed in whole or in part to conceal or disguise the nature,  
3 location, source, ownership or control of the proceeds of the SUA in  
4 violation of 18 U.S.C. § 1956(a)(1)(B)(i).

5 45. The Defendant Asset was involved in, and is traceable to  
6 property involved in, one or more transactions or attempted  
7 transactions in violation of 18 U.S.C. § 1957, or a conspiracy to  
8 commit such offenses, in violation of 18 U.S.C. § 1956(h).  
9 Specifically, the Defendant Asset was involved in and is traceable to  
10 property involved in one or more financial transactions, attempted  
11 transactions, or a conspiracy to conduct or attempt to conduct such  
12 transactions in criminally derived property of a value greater than  
13 \$10,000 that was derived from SUA, that is, 18 U.S.C. §§ 1591 and  
14 1952.

15 **III. Assets Representing, Traceable To, and Involved In**  
16 **Specified Unlawful Activity**

17 **A. Account 1 (Prosperity `7188 Funds)**

18 46. On February 15, 2017, Posting Solutions opened Account 1.  
19 M.G. is the sole signatory on the account (as described above,  
20 Posting Solutions is wholly owned by and controlled by Backpage).

21 47. The application for the P.O. Box identifies the renter of  
22 the box as "Website Technologies, LLC/Backpage.com." Listed on the  
23 Application were the names of several Backpage Operators, including  
24 Ferrer.

25 48. Between August 1 and September 1, 2017, Account 1 received  
26 more than \$2,781,750 in wire transfers from foreign banks. For  
27 example:

28 a. On or about August 16, 2017, Binary Trading wired \$535,500

1 from an account in Singapore into Account 1.

2 b. On or about August 17, 2017, Binary Trading wired \$528,500  
3 from a Singapore account into Account 1.

4 c. On or about August 30, 2017, a company named Trilix PTE LTD  
5 ("Trilix"), listing the same Singapore address as Binary Trading and  
6 GoCoin, sent four wire transfers from the Singapore account into  
7 Account 1, ranging from \$385,450 to \$492,250, totaling approximately  
8 \$1,717,750.

9 49. Plaintiff alleges that a substantial percentage of outgoing  
10 payments from Account 1 have been payments for the operation of  
11 Backpage.com. For example, between July and October 2017, funds were  
12 wired from Account 1, as following:

13 a. \$570,530 to Verizon Digital Media Services in Los Angeles  
14 for services related to the Backpage.com website; and

15 b. \$1,497 to "Backupify," a company that provided data backup  
16 services for Backpage.

17 **CEREUS PROPERTIES ASSETS**

18 **B. Account 2 (Compass `3873 Funds)**

19 50. Account 2 was held in the name of Cereus Properties LLC,  
20 and Spear was the sole signatory. This account was funded in part  
21 with transfers from Account 1, which funds are alleged to have been  
22 traceable to SUA, involved in money laundering, or both, and was used  
23 as a funnel account to pay Backpage Operators. On average, during  
24 each month of 2017, several hundred thousand dollars were transferred  
25 from Account 1 to Account 2. For example:

26 a. On August 31, 2017, Account 1 sent a wire transfer totaling  
27 \$487,491.45 to Account 2.

28 b. On September 15, 2017, Account 1 sent a wire transfer

1 totaling \$91,672.67 to Account 2.

2 c. On October 2, 2017, Account 1 sent a wire transfer totaling  
3 \$471,766 to Account 2.

4 51. Funds from Account 2 were also used to promote and  
5 facilitate prostitution. For example:

6 a. On December 2, 2016, the Netherlands Account transferred  
7 \$324,055.85 to Account 2;

8 b. On December 8, 2016, the Netherlands Account transferred  
9 \$499,970.00 to Account 2;

10 c. On December 27, 2016, the Netherlands Account transferred  
11 \$199,970.00 to Account 2; and

12 d. From March to December 2017, Account 2 paid over \$9,000 to  
13 "Cox Communications," an internet services company that Backpage used  
14 to facilitate its internet presence and promote its sale of  
15 prostitution advertising.

16 **C. Account 3 (Compass '4862 Funds)**

17 52. Account 3, held in the name of Cereus Properties, was  
18 funded with transfers from foreign and domestic banks, which funds  
19 were traceable to SUA, involved in money laundering, or both,  
20 including funds transferred from the Netherlands Account through one  
21 of the Backpage Operators' go-between accounts<sup>11</sup> (Wells Fargo Bank  
22 account '9863 ("Account '9863")), and eventually funneled into  
23 Account 3.

---

24  
25  
26  
27 <sup>11</sup> A "go-between" (a.k.a., a "pass-through") is an account set up  
28 for the main purpose of transferring funds from one or more bank  
accounts to various other bank accounts, frequently as an attempt to  
further conceal the true source and nature of the funds.

MICHAEL LACEY ASSETS**D. Account 4 (FFS&L of SR '3620 Funds)**

53. Account 4, held in the name of Lacey, was funded with transfers from foreign and domestic banks, which funds were traceable to SUA, involved in money laundering, or both. On October 2, 2017, Account 24 (which was itself funded with transfers from foreign and domestic banks with proceeds traceable to SUA, involved in money laundering, or both), transferred \$297,795 into Account 4, as further described below.

**E. Accounts 5-10 (RBA '2485, '1897, '3126, '8316, '8324, and '8332)**

54. Accounts 5, 6, and 7, each held in the name of Lacey, were funded with transfers from foreign and domestic banks, which funds were traceable to SUA, involved in money laundering, or both. Backpage Operators used Accounts 5, 6, and 7 as pass-through accounts.

a. On May 31, 2017, Account 2 transferred approximately \$676,808.04 into Account 5;

b. On June 30, 2017, Account 5 transferred \$600,000 to Account 6.

c. On October 2, 2017, Account 2 made two transfers:

i. \$297,795.54 transferred to Account 4; and

ii. \$694,856.25 wired to Account 11

d. On April 16, 2018, Lacey personally went into the Republic Bank of Arizona, withdrew \$500,000 from Account 5, and then used that \$500,000 as the initial deposit to open Account 7.

e. On or about February 15, 2018, Lacey drafted two \$600,000 checks (totaling \$1.2 million). One check was drawn from Account 11,

1 and the second was drawn from Account 4. These two checks were used  
2 to fund Accounts 8, 9, and 10, respectively, with \$600,000.00,  
3 \$300,000.00, and \$300,000.00.

4 **F. Account 11 (SFFCU `2523 Funds)**

5 55. Account 11 is held in the name of Lacey and an individual  
6 listed in the Credit Union's records as Lacey's employee and  
7 bookkeeper. Account 11 was funded with proceeds alleged to have been  
8 traceable to SUA, involved in money laundering, or both.

9 a. On February 2, 2018, Account 2 (which then contained funds  
10 traceable to SUA, involved in money laundering, or both) transferred  
11 \$734,602.70 into Account 11.

12 **G. Account 12 (IOLTA `4139)**

13 56. Account 12 was an IOLTA held for the benefit of Lacey, and  
14 was funded with proceeds traceable to SUA, involved in money  
15 laundering, or both.

16 57. On January 4, 2017, the Singapore Account wired \$489,500  
17 into a Posting Solutions controlled account held at Veritex Bank (the  
18 "Veritex Account"). On January 20, 2017, the Singapore Account  
19 directed two additional wires, for \$358,150 and \$470,150  
20 respectively, into the Veritex Account. In total, the Singapore  
21 Account transferred \$1,317,800 into the Veritex Account.

22 a. On or about February 23, 2017, the Veritex Account directed  
23 two payments to Account 2, a wire of \$443,014, and a check for  
24 \$27,887.41.

25 b. Between March 30 and September 14, 2017, Account 2 sent  
26 five wires totaling \$4,058,063.65 to Account 12.

27 c. In July 2018, Account 12 was closed and a cashier's check  
28 totaling \$2,412,785.47 was issued to Lacey's Annuity Fund, held at

1 Account 12.

2 **H. The Sebastopol Property**

3 58. The Sebastopol Property was purchased and maintained, in  
4 whole or in part, using funds traceable to SUA, involved in money  
5 laundering, or both.

6 59. In a series of transactions in December 2016, illicit  
7 proceeds from the Netherlands Account would pass-through Account 2,  
8 eventually ending up in Account 11. Additionally, between July and  
9 October 2017, additional illicit proceeds from the Singapore Account  
10 were passed-through Account 1 to Account 2, and eventually  
11 transferred to Account 11. On or about October 10, 2017, over  
12 \$10,000 of funds from Account 11 were used to support and maintain  
13 the Sebastopol Property.

14 60. On February 11, 2016, a grant deed, instrument number  
15 2016010019 of the Sonoma County official records, transferred the  
16 Sebastopol Property to Lacey. Thereafter, on April 24, 2017, for no  
17 consideration, Lacey transferred title of the Sebastopol Property to  
18 his Delaware limited liability company, Sebastopol, LLC. As noted in  
19 the grant deed:

20 "There was no consideration for this transfer. This is a  
21 transfer between an individual or individuals and a legal  
22 entity or between legal entities that results solely in a  
23 change in the method of holding title and in which  
proportional ownership interests in the realty remain the  
same. . ."

24 61. On October 10, 2017, Lacey issued a \$12,956.25 check from  
25 Account 11 to Sonoma County Tax Collector. The notation on this wire  
26 was "2043 Pleasant Hill Dr Sebastopol."

27 **I. San Francisco, California Property 1**

28 62. San Francisco Property 1 was purchased and maintained, in

1 whole or in part, using funds traceable to SUA, involved in money  
2 laundering, or both.

3 63. In order to acquire San Francisco Property 2, Lacey used  
4 funds transferred through the Singapore Account, the Website Tech  
5 Account '2008, and Cereus Properties accounts, as well as annuity  
6 accounts that Lacey controlled, as follows:

7 a. Illicit proceeds were deposited into the Singapore Account,  
8 passed-through Account 1, then passed-through Account 2 and  
9 transferred to Account 11. Thereafter, funds from Account 11 were  
10 used to support and maintain San Francisco Property 1.

11 b. On May 18, 2016, grant deed instrument number 2016-K245482-  
12 00 of the San Francisco County official records, transferred San  
13 Francisco Property 1 to Lacey and his female partner.

14 c. Thereafter, on October 10, 2017, over \$10,000 in funds from  
15 Account 11 were used to purchase or maintain San Francisco Property 1.

16 **J. San Francisco Property 2**

17 64. San Francisco Property 2 was purchased and maintained, in  
18 whole or in part, using funds traceable to SUA, involved in money  
19 laundering, or both.

20 65. During the period of December 14 through December 29, 2015,  
21 as GoCoin's partial payment for the Bitcoins Backpage sold it during  
22 the period of September 4 through November 23, 2015, the Slovakia  
23 Account wired over \$1,250,000 to Website Tech Account '2008.

24 66. After December 14, 2015, Website Tech Account '2008 then  
25 transferred funds via multiple pass-through accounts controlled by  
26 Lacey and other Backpage Operators, which, as of June 21, 2016,  
27 resulted in approximately \$5,400,000 ending up in Arizona Bank &  
28 Trust account '1793, controlled by Lacey ("AB&T Account '1793").

1        67. On June 27, 2016, AB&T Account '1793 wired \$397,500.00 to  
2 Fidelity National Title Company. The notation on this wire was  
3 "XXX(Earnest Money)XXXXXX." On July 20, 2016, AB&T Account '1793  
4 wired \$12,859,152.57 to Fidelity National Title Company. The  
5 notation on this wire was "XX(Balance of Property)XXXXX."

6        68. Casa Bahia for San Francisco, LLC, a Delaware limited  
7 liability company, was the entity used to take title to San  
8 Francisco, California Property 2, and is owned by Lacey. On July 21,  
9 2016, by grant deed, San Francisco Property 2 was transferred to  
10 Lacey. On June 21, 2017, by grant deed and for no consideration,  
11 Lacey transferred San Francisco Property 2 to Casa Bahai for San  
12 Francisco, LLC, a Delaware limited liability company, as evidenced by  
13 instrument number 2017-K466276099 of the San Francisco County  
14 official records. As noted in the grant deed:

15        There was no consideration for this transfer. This is a  
16 transfer between an individual or individuals and a legal  
17 entity or between legal entities that results solely in a  
18 change in the method of holding title and in which  
proportional ownership inters in the realty remain the  
same. . .

19        **K. San Francisco Property 3**

20        69. San Francisco Property 3 was purchased and maintained, in  
21 whole or in part, using funds traceable to SUA, involved in money  
22 laundering, or both.

23        70. Beginning in February 2013, illicit funds from Backpage's  
24 U.S. Bank account '1165 passed-through various Backpage or Backpage  
25 Operators accounts, eventually ending up in BMO Harris account '5263,  
26 owned or controlled by Lacey. In May 2015, over \$10,000 of funds  
27 from BMO Harris account '5263 was used to purchase or maintain San  
28 Francisco Property 3.



1           **L.     Sedona Property**

2           71.   The Sedona Property was purchased and maintained, in whole  
3 or in part, using funds traceable to SUA, involved in money  
4 laundering, or both.

5           72.   In October 2017, Account 2 wired approximately \$297,795 to  
6 Account 4. On November 13, 2018, \$6,725.54 from Account 4 was used  
7 to support or maintain the Sedona Property.

8           **M.     Paradise Valley Property 2**

9           73.   Paradise Valley Property 2 was purchased and maintained, in  
10 whole or in part, using funds traceable to SUA, involved in money  
11 laundering, or both.

12          74.   In 2005, for approximately \$1,500,000, Lacey purchased the  
13 Paradise Valley Property 2. In 2010, the Paradise Valley Property  
14 was used as collateral for a \$1 million loan (the "2010 Loan").  
15 Beginning no later than January 2012, illicit proceeds were used to  
16 service the debt on the 2010 Loan. Specifically:

17          a.    Between February 4 and June 6, 2013, through a series of  
18 wire transfers, Backpage's U.S. Bank account '1165 transferred  
19 approximately \$41,500,000 to BMO Harris Bank account '5263.

20          b.    Between March 2013, and January 2016, through a series of  
21 periodic transactions, approximately \$174,749.39 from BMO Harris Bank  
22 account '5263 was used to service the debt on the 2010 Loan.

23                           **JAMES LARKIN ASSETS**

24           **N.     Accounts 13, 15, 16, 17, AND 18 (RBA '1889, '2592, '1938,**  
25                   **'1897, '8103, '8162, AND '8189)**

26          75.   Account 13, held in the name of Larkin, was funded with  
27 proceeds alleged to have been traceable to SUA, involved in money  
28 laundering, or both.

1           a.    On July 6, 2017, Account 2 transferred \$971,651.51 into  
2 Account 13.

3           b.    On July 28, 2017, Account 13 transferred \$400,000 into  
4 Account 14.

5           76.   Account 15 is held in the name of Larkin.

6           a.    From March 2015 through November 2017, the Netherlands  
7 Account received several millions of dollars in criminal proceeds  
8 from Binary Trading.

9           b.    On December 2, 2016, the Netherlands Account transferred  
10 \$324,055.85 to Account 2.

11          c.    On December 8, 2016, the Netherlands Account transferred  
12 \$499,970.00 to Account 2.

13          d.    On December 27, 2016, the Netherlands Account transferred  
14 \$199,970.00 to Account 2, which account then transferred funds  
15 through Account '9863 and into Account 3.

16          e.    On December 13, 2017, Account 3 transferred \$406,211.10 to  
17 Account 15.

18          77.   Account 16, 17, and 18 are CDARS Accounts held in the name  
19 of Larkin.

20          a.    On July 28, 2017, Account 13 transferred \$400,000 into  
21 Account 14.

22          b.    On or about February 8, 2018, \$1 million in funds from  
23 Account 14 was used to fund Account 16 (which received \$500,000),  
24 Account 17 (which received \$250,000), and Account 18 (which received  
25 \$250,000).

26          **O.    Accounts 19 AND 20 (PCTC ACCOUNT '0012 FUNDS, PERKINS COIE**  
27                **'0012)**

28          78.   Account 19 is held in the name of Larkin's spouse, Margaret

1 Larkin, and was funded with proceeds traceable to SUA, involved in  
2 money laundering, or both.

3 a. On December 31, 2015, Website Tech Account `2008  
4 transferred \$811,424 to the Slovakia Account.

5 b. On January 11, 2016, the Slovakia Account transferred  
6 approximately \$1,300,000 to Charles Schwab account `4693, held in the  
7 name of Larkin ("Charles Schwab Account `4693").

8 c. On January 14, 2016, Charles Schwab Account `4693  
9 transferred approximately \$13,500,000 to Northern Trust Company  
10 account `9562 (under the name "Ocotillo Family Trust," owned and  
11 controlled by Larkin and Margaret Larkin).

12 d. In July 21, 2017, Account `9562 transferred \$6,014,000 to  
13 Morgan Stanley account `1673 (held in the name of Larkin and Margaret  
14 Larkin).

15 e. In or about November 2017, Morgan Stanley elected to  
16 terminate its business relationship with Larkin.

17 f. On November 30, 2017, all the funds then held in Morgan  
18 Stanley account `1673 (about \$10,000,000) were transferred to Account  
19 19.

20 g. Some of the funds in Account 19 were used to purchase bonds  
21 and/or securities, which were held in Account 20.

22 **P. Account 21 (ACF `2020)**

23 79. Account 21 contains securities and investment vehicles held  
24 in the name of Ocotillo Family Trust, which is owned and controlled  
25 by Larkin and his spouse, and was funded with proceeds traceable to  
26 SUA, involved in money laundering, or both.

27 a. During the period of March 23 through March 31, 2016,  
28 Website Tech Account `2008 sent three wire transfers totaling

1 \$3,694,813.60 to Arizona Bank & Trust account number '6211, belonging  
2 to Cereus Properties ("Account '6211").

3 b. During the period of April 1, 2016, through July 1, 2016,  
4 Account '6211 sent five wire transfers totaling \$5,750,294 to Charles  
5 Schwab Account '4693.

6 c. On July 1, 2016, Charles Schwab Account '4693 transferred  
7 \$15,000,000 to Account 21.

8 d. During the period of August 2, 2016, through October 6,  
9 2016, Account '6211 sent six wire transfers totaling \$9,550,315 to  
10 Charles Schwab Account '4693.

11 e. On January 3, 2017, Charles Schwab Account '4693  
12 transferred \$2,500,000 to Account 21.

13 f. On January 4, 2017, Charles Schwab Account '4693  
14 transferred \$2,500,000 Account 21.

15 **Q. Accounts 22 AND 23 (BA '8225 and '7054)**

16 80. Account 22 is held in the name of one of T. Larkin, and was  
17 used in furtherance of the money laundering scheme described herein,  
18 and in an attempt to further conceal or disguise the nature,  
19 location, source, ownership or control of the criminal proceeds.

20 81. On February 2, 2018, Account 2 wire transferred \$28,337  
21 into Account 22.

22 82. Account 23 is held in the name of R. Larkin. On February  
23 2, 2018, Account 2 wire transferred \$28,337 into Account 23.

24 **R. Saint Helena Property**

25 83. The Saint Helena Property was purchased and maintained, in  
26 whole or in part, using funds traceable to SUA, involved in money  
27 laundering, or both.

28 84. Between February 4 and June 6, 2013, approximately

1 \$41,500,000 in illicit funds were transferred to Camarillo Holdings  
2 LLC, BMO Harris Bank account '7172. On October 2, 2013, BMO Harris  
3 Bank account '7172 wired \$26,130.64 to Larkin's BMO Harris Bank  
4 account '3110. Thereafter, on November 3, 2016, over \$10,000 of  
5 funds from BMO Harris Bank account '7172 were used to purchase or  
6 maintain the Saint Helena Property.

7 **S. Chicago Property**

8 85. The Chicago Property was purchased and maintained, in whole  
9 or in part, using funds traceable to SUA, involved in money  
10 laundering, or both.

11 86. Illicit funds originating from Backpage's U.S. Bank account  
12 '1165 were passed-through accounts owned or controlled by Backpage or  
13 Backpage Operators, and ended up in BMO Harris Bank account '3110.  
14 Thereafter, on October 2, 2015, BMO Harris Bank account '3110  
15 transferred \$138,000 to Chicago Title and Trust Company as payment  
16 towards the purchase of the Chicago Property.

17 **T. Paradise Valley Property 1**

18 87. Paradise Valley Property 1 was purchased and maintained, in  
19 whole or in part, using funds traceable to SUA, involved in money  
20 laundering, or both.

21 88. Approximately \$41.5 million in illicit funds from  
22 Backpage's U.S. Bank account '1165 passed through various Backpage or  
23 Backpage Operators accounts. Following these various transfers,  
24 eventually, on October 2, 2013, a total of approximately \$26,130.64  
25 was transferred into BMO Harris account '3110, owned or controlled by  
26 Larkin. Thereafter, on December 11, 2014, BMO Harris Bank account  
27 '3100 paid \$46,957.28 to maintain the Paradise Valley property 1.  
28

1           **U.     Paradise Valley Property 7**

2           89.     Paradise Valley Property 7 was purchased and maintained, in  
3 whole or in part, using funds traceable to SUA, involved in money  
4 laundering, or both

5           90.     Illicit funds originating from Backpage's U.S. Bank account  
6 '1165 were passed-through accounts owned or controlled by Backpage or  
7 Backpage Operators, and ended up in BMO Harris Bank account '3110,  
8 from which account over \$10,000 was paid to maintain Paradise Valley  
9 Property 7.

10                           **JOHN BRUNST ASSETS**

11           **V.     Account 24 (COMPASS BANK '3825)**

12           91.     Account 24 is held in the name of Brunst, and was used in  
13 furtherance of the money laundering scheme described herein, and in  
14 an attempt to further conceal or disguise the nature, location,  
15 source, ownership or control of the proceeds of SUA.

16           92.     On February 2, 2018, Account 2 wire transferred \$135,956.59  
17 into Account 24.

18           **W.     Account 25, 26, 27, 28, 29, 30 (AB '6878, '4954, '7982,  
19                    '7889, '7888 AND '6485)**

20           93.     Accounts 25, 26, 27, 28, 29, and 30 are held in the name of  
21 the "Brunst Family Trust." Brunst and his wife are the sole trustees  
22 for these accounts, which were funded with proceeds traceable to SUA,  
23 involved in money laundering, or both.

24           a.     On December 31, 2015, Website Tech Account '2008  
25 transferred \$811,424 to Account '6211.

26           b.     On December 6, 2016, Account '6211 transferred \$161,459 to  
27 Wells Fargo Bank account '4891, belonging to Brunst ("Account  
28 '4891").

1 c. On January 4, 2017, Account '6211 transferred another  
2 \$258,841 to Account '4891.

3 d. On January 5, 2017, Account '4891 transferred \$300,000 to  
4 Wells Fargo Bank account '7474, belonging to the Brunst Family Trust  
5 ("Account '7474").

6 e. On May 19, 2017, Account '7474 transferred approximately  
7 \$1,500,000 into Account 25.

8 f. On May 23, 2017, Account 25 transferred approximately  
9 \$350,000 to Account 25.

10 g. On June 7, 2017, Account 25 transferred approximately  
11 \$1,340,000 to Account 25.

12 h. On September 13, 2017, Account 25 transferred approximately  
13 \$581,000 to Account 27.

14 i. On September 13, 2017, Account 25 transferred approximately  
15 \$250,000 to Account 28.

16 j. On September 13, 2017, Account 25 transferred approximately  
17 \$250,000 to Account 29.

18 k. On September 15, 2017, Account 25 transferred approximately  
19 \$500,000 to Account 30.

20 **SCOTT SPEAR ASSETS**

21 **X. Accounts 31, 32, AND 33 (NBA '0178, '0151, and '3645)**

22 94. Accounts 31 and 32 are held in the name of Spear, which  
23 accounts were funded with proceeds traceable to SUA, involved in  
24 money laundering, or both. Account 33 is held in trust for the  
25 benefit of Spear and certain of his family members, which account was  
26 funded with proceeds traceable to SUA, involved in money laundering,  
27 or both. In furtherance of the money laundering scheme, and in an  
28 attempt to further conceal the true nature of the criminal proceeds,

1 go-between accounts served to funnel money from one account to  
2 another.

3 a. Between January 21 and August 31, 2016, Website Tech  
4 Account '2008 sent approximately 27 wire transfers totaling  
5 approximately \$48,000,000 to Account '6211.

6 b. Between March 1, 2016, and July 1, 2016, Account '6211  
7 transferred \$892,426 into Account 31.

8 c. On September 14, 2017, Account 2 wire transferred  
9 \$50,162.05 into Account 31.

10 d. On October 12, 2017, Account 31 transferred approximately  
11 \$21,500 into Account 32.

12 e. On January 5, 2018, Account 31 transferred approximately  
13 \$600,000 into Account 33.

14 **Y. Account 34 (Live Oak Bank Account '6910)**

15 95. Account 34 is held in the name of Spear, and was funded  
16 with proceeds traceable to SUA, involved in money laundering, or  
17 both.

18 96. On or about March 16, 2016, as an opening deposit, Account  
19 31 transferred \$250,000 into Account 34.

20 **Z. Account 35 and 36 (Ascensus Broker Services '4301 and '8001)**

21 97. Accounts 35 and 36 are held in the name of N. Spear,  
22 Spear's adult daughter, and were funded with proceeds traceable to  
23 SUA, involved in money laundering, or both.

24 a. On February 23, 2017, Account 31 transferred approximately  
25 \$50,000 into Account 35.

26 b. On the February 23, 2017, Account 31 transferred \$50,000  
27 into Account 36.



**PRIMUS TRUST ASSETS**

**AA. Account 37 (K&H Bank Account '1210)**

98. Account 37 is located in Hungary, and held in the name of Primus Trust Company ("Binghampton Trust") for the benefit of Lacey. In furtherance of the money laundering scheme, Account 37 was funded with proceeds traceable to SUA, involved in money laundering, or both.

99. The tracing of this account involves numerous banks and bank accounts, both foreign and domestic. The accounts include: Website Tech Account '2008; Account '6211; Arizona Bank & Trust annuity trust account numbers '1967, '1972, '1986, '1991, and '2014, all held in Lacey's name ("AZBT Annuity Accounts"); and Johnson Financial account '9992, held in an IOLTA, with Lacey as the sole beneficiary.

a. Between December 14, 2015, and January 15, 2016, the Slovakia Account sent approximately 26 wire transfers totaling over \$2,500,000 to Website Tech Account '2008 in the United States.

b. On January 15, 2016, Website Tech Account '2008 transferred \$189,571 to Verizon in Los Angeles, California, in payment for Backpage internet services, which served, in whole or in part, to promote sex trafficking and illegal prostitution.

c. Between January 21 and August 31, 2016, Website Tech Account '2008 sent approximately 27 wire transfers totaling approximately \$48,000,000 to Account '6211.

d. Between April 1 and October 6, 2016, in approximately 12 wires, Account '6211 sent over \$18,000,000 to the AZBT Annuity Trust Accounts.

e. On December 29, 2016, in five wires, the AZBT Annuity

1 Trusts Accounts sent approximately \$16,500,000 to Johnson Financial  
2 account '9992.

3 f. On January 3, 2017, Johnson Financial account '9992  
4 transferred \$16,500,000 to Account 37.

#### 5 AD TECH BV ASSETS

#### 6 **BB. Accounts 56, 57, and 58 (Fio Bank '5803, '5801, and '5805)**

7 100. Accounts 56, 57, and 58 are located in the Czech Republic  
8 and held in the name of Ad Tech BV, identifying Ferrer as the  
9 ultimate beneficial owner, which accounts were funded with proceeds  
10 traceable to SUA, involved in money laundering, or both.

11 101. Account 56, 57, and 58 were set up and maintained to  
12 receive payments for Backpage ads, that is, for "accounts  
13 receivable." Merchant processors would accept credit card payments  
14 and Bitcoins from Backpage advertisers as credit to place ads for  
15 prostitution and other services. The merchant processors would then  
16 transfer these funds to accounts set up to receive such payments,  
17 specifically including Accounts 56, 57, and 58. All funds contained  
18 within Accounts 56, 57, and 58 are traceable to SUA and involved in  
19 money laundering.

#### 20 **CC. Accounts 47, 48, 49 and 50 (BF Accounts 'K000 K, 'K000 U, 21 'K000 E, and 'K001 K)**

22 102. Accounts 47, 48, 49, and 50 are located in Principality of  
23 Liechtenstein, and held for the benefit of Ferrer, which accounts  
24 were funded with proceeds traceable to SUA, involved in money  
25 laundering, or both.

26 103. Accounts 47, 48, 49, and 50 were set up and maintained to  
27 receive payments for Backpage ads, that is, for "accounts  
28 receivable." Merchant processors would accept credit card payments

1 and Bitcoins from Backpage advertisers as credit to place ads for  
2 prostitution and other services. The merchant processors would then  
3 transfer these funds to accounts set up to receive such payments,  
4 specifically including Accounts 47, 48, 49, and 50. All funds  
5 contained within Accounts 47, 48, 49, and 50 are traceable to SUA and  
6 involved in money laundering.

7 **GOLD LEAF SRO FUNDS HELD AT FIO BANK**

8 **DD. Account 38, 39, and 30 (Fio Bank `2226, `2231, and `2230)**

9 104. Accounts 38, 39, and 40 are located in the Czech Republic,  
10 and held for the benefit of Backpage by a third party entity named,  
11 "Gold Leaf SRO." Accounts 38, 39, and 40 were funded with proceeds  
12 traceable to SUA, involved in money laundering, or both.

13 105. Accounts 38, 39, and 40 were created outside the United  
14 States with the intention of avoiding the "blockade" of Backpage set  
15 up by U.S. credit card companies that refused to process Backpage  
16 receipts following negative press associated with Backpage.  
17 Approximately 99.5% of the payments into these accounts were to be  
18 transferred to accounts held by Ad Tech BV, a Backpage controlled  
19 company located in the Netherlands, after which transfer, the funds  
20 could be directed for the benefit of Backpage or Backpage Operators  
21 in the U.S. or abroad. All funds contained within Accounts 38, 39,  
22 and 40 are traceable to SUA and involved in money laundering.

23 **PROTECCTIO SRO FUNDS HELD AT FIO BANK**

24 **EE. Accounts 41, 42, and 43 (Fio Bank `4194, `4196, and `4198)**

25 106. Accounts 41, 42, and 43 are located in the Czech Republic,  
26 and held for the benefit of Backpage by a third party entity named,  
27 "Protecctio SRO." Accounts 41, 42, and 43 were funded with proceeds  
28 traceable to SUA, involved in money laundering, or both.

1        107. Accounts 41, 42, and 43 were created outside the United  
2 States with the intention of avoiding the "blockade" of Backpage set  
3 up by U.S. credit card companies that refused to process Backpage  
4 receipts following negative press associated with Backpage.  
5 Approximately 99.5% of the payments into these accounts were to be  
6 transferred to accounts held by Ad Tech BV, a Backpage controlled  
7 company located in the Netherlands, after which transfer the funds  
8 could be directed for the benefit of Backpage or Backpage Operators  
9 in the U.S. or abroad. All funds contained within Accounts 41, 42,  
10 and 43 are traceable to SUA and involved in money laundering.

11                    **VARICOK SRO FUNDS HELD AT FIO BANK**

12        **FF. Accounts 44, 45, and 46 (Fio Bank '8083, '8086, and '8080)**

13        108. Accounts 44, 45, and 46 are located in the Czech Republic,  
14 and held in the name of Varicok Company SRO. Accounts 44, 45, and 46  
15 were funded with proceeds traceable to SUA, involved in money  
16 laundering, or both.

17        109. Accounts 44, 45, and 46 were created outside the United  
18 States with the intention of avoiding the "blockade" of Backpage set  
19 up by U.S. credit card companies that refused to process Backpage  
20 receipts following negative press associated with Backpage.  
21 Approximately 99.5% of the payments into these accounts were to be  
22 transferred to accounts held by Ad Tech BV, a Backpage controlled  
23 company located in the Netherlands, after which transfer, the funds  
24 could be directed for the benefit of Backpage or Backpage Operators  
25 in the U.S. or abroad. All funds contained within Accounts 44, 45,  
26 and 46 are traceable to SUA and involved in money laundering.

**PROCOP SERVICES BV FUNDS HELD AT KNAB BANK**

**GG. Account 51 (KB `7664)**

110. Account 51 is located in the Kingdom of the Netherlands, and held for the benefit of Backpage by a third party entity named, "Procop Services BV." Account 51 was funded with proceeds traceable to SUA, involved in money laundering, or both.

111. Account 51 was created outside the United States with the intention of avoiding the "blockade" of Backpage set up by U.S. credit card companies that refused to process Backpage receipts following negative press associated with Backpage. Approximately 99.5% of the payments into Accounts 51 was to be transferred to accounts held by Ad Tech BV, a Backpage controlled company located in the Netherlands, after which transfer, the funds could be directed for the benefit of Backpage or Backpage Operators in the U.S. or abroad. All funds contained within Account 51 are traceable to SUA and involved in money laundering.

**GULIETTA GROUP BV FUNDS HELD AT RABO BANK**

**HH. Accounts 52 and 53 (RB `2452 and `4721)**

112. Accounts 52 and 53 are located in the Kingdom of the Netherlands and held for the benefit of Backpage by a third party entity named, "Gulietta Group BV." Accounts 52 and 53 were funded with proceeds traceable to SUA, involved in money laundering, or both.

113. Accounts 52 and 53 were created outside the United States with the intention of avoiding the "blockade" of Backpage set up by U.S. credit card companies that refused to process Backpage receipts following negative press associated with Backpage. Approximately 99.5% of the payments into these accounts were to be transferred to

1 accounts held by Ad Tech BV, a Backpage controlled company located in  
2 the Netherlands, after which transfer, the funds could be directed  
3 for the benefit of Backpage or Backpage Operators in the U.S. or  
4 abroad. All funds contained within Accounts 52 and 53 are traceable  
5 to SUA and involved in money laundering.

6 **CASHFLOWS EUROPE LTD FUNDS HELD FOR GULIETTA GROUP B.V., UNIVERSADS**

7 **B.V., PROCOPSERVICES B.V. and PROTECCIO SRO**

8 **II. Account 55 (SP '1262)**

9 114. Account 55 is located in the United Kingdom and held by a  
10 third party entity, "Cashflows Europe Limited" ("Cashflows").  
11 Although Backpage is the ultimate beneficiary of Account 55,  
12 Cashflows acts first as an entity holding this account for the  
13 benefit of Gulietta Group B.V., Universads B.V., Procop Services  
14 B.V., and Proteccio SRO (collectively referred to as, the  
15 "Entities"), each of which company is owned or controlled by  
16 Backpage. Account 55 was funded with proceeds traceable to SUA,  
17 involved in money laundering, or both.

18 115. Account 55 was created outside the United States with the  
19 intention of avoiding the "blockade" of Backpage set up by U.S.  
20 credit card companies that refused to process Backpage receipts  
21 following negative press associated with Backpage. Approximately  
22 99.5% of the payments into Accounts 55 was to be transferred to  
23 accounts held by Ad Tech BV, a Backpage controlled company located in  
24 the Netherlands, after which transfer, the funds could be directed  
25 for the benefit of Backpage or Backpage Operators in the U.S. or  
26 abroad. All funds contained within Account 55 are traceable to SUA  
27 and involved in money laundering.

1           **JJ. Account 54 (LHVP '4431)**

2           116. Account 54 is an account maintained in the Republic of  
3 Estonia, held in the name of Olist OU for the benefit of Backpage.  
4 Account 54 was funded with proceeds traceable to SUA, involved in  
5 money laundering, or both.

6           117. Account 54 was created outside the United States with the  
7 intention of avoiding the "blockade" of Backpage set up by U.S.  
8 credit card companies that refused to process Backpage receipts  
9 following negative press associated with Backpage. Approximately  
10 99.5% of the payments into Accounts 54 was to be transferred to  
11 accounts held by Ad Tech BV, a Backpage controlled company located in  
12 the Netherlands, after which transfer, the funds could be directed  
13 for the benefit of Backpage or Backpage Operators in the U.S. or  
14 abroad. All funds contained within Account 54 are traceable to SUA  
15 and involved in money laundering.

16                           **BACKPAGE-CONTROLLED DOMAIN NAMES**

17           **KK. ASCIO/WMB Inc Domain Names**

18           118. Until recently, Backpage controlled numerous domain names,  
19 which have since been seized by the government pursuant to a seizure  
20 warrant issued in this district.<sup>12</sup>

21           119. The Seized Domains are registered by "ASCIO TECHNOLOGIES  
22 INC" DBA "NETNAMES," a domain registrar that manages the reservation  
23 of internet domain names. A domain registrar serves to ensure that a  
24 registered domain name, like each of the Seized Domains, is not  
25 double sold.

26           120. Additionally, a domain registration will allow the owner of  
27 the domain to direct internet traffic to a company's webserver. The

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28                           <sup>12</sup> 18-MJ-00711

1 Seized Domains were found to have been acquired and maintained with  
2 funds traceable to the money laundering scheme described herein,  
3 specifically with funds from Account 1, and the Seized Domains were  
4 the mechanism Backpage used to promote the prostitution and sex  
5 trafficking activity.

6 121. The following domains constitute and are derived from  
7 proceeds traceable to SUA, involved in money laundering, or both:

8 a. atlantabackpage.com

9 b. backpage.be

10 c. backpage.com

11 d. backpage.com.br

12 e. backpage.cz

13 f. backpage.dk

14 g. backpage.ee

15 h. backpage.es

16 i. backpage.fi

17 j. backpage.fr

18 k. backpage.gr

19 l. backpage.hu

20 m. backpage.ie

21 n. backpage.it

22 o. backpage.lt

23 p. backpage.mx

24 q. backpage.net

25 r. backpage.no

26 s. backpage.pl

27 t. backpage.pt

28 u. backpage.ro



v. backpage.si  
w. backpage.sk  
x. backpage.us  
y. backpage-insider.com  
z. bestofbackpage.com  
aa. bestofbigcity.com  
bb. bigcity.com  
cc. chicagobackpage.com  
dd. denverbackpage.com  
ee. newyorkbackpage.com  
ff. phoenixbackpage.com  
gg. sandiegobackpage.com  
hh. seattlebackpage.com  
ii. tampabackpage.com

**LL. SURRENDERED DOMAIN NAMES**

122. Until recently, Backpage also controlled numerous domain names that Backpage has since surrendered (pursuant to its guilty plea on April 5, 2018, in the District of Arizona).

123. The following websites were purchased and/or maintained, in whole or in part, with proceeds traceable to SUA, involved in money laundering, or both:

a. admoderation.com (Versio)  
b. admoderators.com (Versio)  
c. adnet.ws (NetNames)  
d. adplace24.com (Versio)  
e. adplaces24.com (Versio)  
f. adpost24.com (Versio)

1 g. adpost24.cz (GoDaddy)  
2 h. adquick365.com (Versio)  
3 i. adreputation.com (NetNames)  
4 j. ads-posted-mp.com (Versio)  
5 k. adsplace24.com (Versio)  
6 l. adspot24.com (Versio)  
7 m. adspots24.com (Versio)  
8 n. adsspot24.com (Versio)  
9 o. adtechbv.co.nl (NetNames)  
10 p. adtechbv.com (NetNames)  
11 q. adtechbv.nl (NetNames)  
12 r. advert-ep.com (Versio)  
13 s. adverts-mp.com (Versio)  
14 t. axme.com (GoDaddy)  
15 u. back0age.com (NetNames)  
16 v. backpa.ge (NetNames)  
17 w. backpaee.com (NetNames)  
18 x. backpage-insider.com (NetNames)  
19 y. backpage.adult (NetNames)  
20 z. backpage.ae (NetNames)  
21 aa. backpage.at (NetNames)  
22 bb. backpage.ax (NetNames)  
23 cc. backpage.be (NetNames)  
24 dd. backpage.bg (European domains)  
25 ee. backpage.bg (NetNames)  
26 ff. backpage.ca (NetNames)  
27 gg. backpage.cl (NetNames)  
28 hh. backpage.cn (European domains)

1 ii. backpage.cn (NetNames)  
2 jj. backpage.co.id (NetNames)  
3 kk. backpage.co.nl (European domains)  
4 ll. backpage.co.nl (NetNames)  
5 mm. backpage.co.nz (NetNames)  
6 nn. backpage.co.uk (NetNames)  
7 oo. backpage.co.ve (NetNames)  
8 pp. backpage.co.za (NetNames)  
9 qq. backpage.com (NetNames)  
10 rr. backpage.com.ar (NetNames)  
11 ss. backpage.com.au (NetNames)  
12 tt. backpage.com.ph (NetNames)  
13 uu. backpage.cz (NetNames)  
14 vv. backpage.dk (NetNames)  
15 ww. backpage.ec (NetNames)  
16 xx. backpage.ee (European domains)  
17 yy. backpage.ee (NetNames)  
18 zz. backpage.es (NetNames)  
19 aaa. backpage.fi (European domains)  
20 bbb. backpage.fi (NetNames)  
21 ccc. backpage.fr (European domains)  
22 ddd. backpage.fr (NetNames)  
23 eee. backpage.gr (European domains)  
24 fff. backpage.gr (NetNames)  
25 ggg. backpage.hk (European domains)  
26 hhh. backpage.hk (NetNames)  
27 iii. backpage.hu (European domains)  
28 jjj. backpage.hu (NetNames)

1 kkk. backpage.ie (NetNames)  
2 lll. backpage.in (NetNames)  
3 mmm. backpage.it (NetNames)  
4 nnn. backpage.jp (NetNames)  
5 ooo. backpage.kr (NetNames)  
6 ppp. backpage.lt (NetNames)  
7 qqq. backpage.lv (European domains)  
8 rrr. backpage.lv (NetNames)  
9 sss. backpage.me (NetNames)  
10 ttt. backpage.mx (NetNames)  
11 uuu. backpage.my (NetNames)  
12 vvv. backpage.net (NetNames)  
13 www. backpage.nl (NetNames)  
14 xxx. backpage.no (European domains)  
15 yyy. backpage.no (NetNames)  
16 zzz. backpage.nz (NetNames)  
17 aaaa. backpage.pe (NetNames)  
18 bbbb. backpage.ph (NetNames)  
19 cccc. backpage.pk (NetNames)  
20 dddd. backpage.pl (NetNames)  
21 eeee. backpage.porn (NetNames)  
22 ffff. backpage.pt (NetNames)  
23 gggg. backpage.ro (European domains)  
24 hhhh. backpage.ro (NetNames)  
25 iiii. backpage.se (NetNames)  
26 jjjj. backpage.sex (NetNames)  
27 kkkk. backpage.sg (NetNames)  
28 llll. backpage.si (European domains)

1	mmmm.	backpage.si (NetNames)
2	nnnn.	backpage.sk (European domains)
3	oooo.	backpage.sk (NetNames)
4	pppp.	backpage.sucks (NetNames)
5	qqqq.	backpage.tw (NetNames)
6	rrrr.	backpage.uk (NetNames)
7	ssss.	backpage.uk.com (NetNames)
8	tttt.	backpage.us (NetNames)
9	uuuu.	backpage.vn (NetNames)
10	vvvv.	backpage.xxx (NetNames)
11	www.	backpage.xyz (NetNames)
12	xxxx.	backpagecompimp.com (NetNames)
13	yyyy.	backpagecompimps.com (NetNames)
14	zzzz.	backpagepimp.com (NetNames)
15	aaaaa.	backpagepimps.com (NetNames)
16	bbbbb.	backpagg.com (NetNames)
17	ccccc.	backpagm.com (NetNames)
18	ddddd.	backpagu.com (NetNames)
19	eeeee.	backpaoe.com (NetNames)
20	ffffff.	backpawe.com (NetNames)
21	ggggg.	backqage.com (NetNames)
22	hhhhh.	backrage.com (NetNames)
23	iiiii.	backxage.com (NetNames)
24	jjjjj.	bakkpape.com (NetNames)
25	kkkkk.	bcklistings.com (NetNames)
26	lllll.	bestofbackpage.com (NetNames)
27	mmmmm.	bestofbigcity.com (NetNames)
28	nnnnn.	bickpage.com (NetNames)

1	ooooo.	bigcity.com (NetNames)
2	ppppp.	bpclassified.com (NetNames)
3	qqqqq.	bpclassifieds.com (NetNames)
4	rrrrr.	carlferrer.com (NetNames)
5	sssss.	clasificadosymas.com (NetNames)
6	ttttt.	clasificadosymas.net (NetNames)
7	uuuuu.	clasificadosymas.org (NetNames)
8	vvvvv.	classifiedsolutions.co.uk (NetNames)
9	wwwww.	classifiedsolutions.net (NetNames)
10	xxxxx.	classyadultads.com (Versio)
11	yyyyy.	columbusbackpage.com (NetNames)
12	zzzzz.	connecticutbackpage.com (NetNames)
13	aaaaaa.	cracker.co.id (NetNames)
14	bbbbbb.	cracker.com (NetNames)
15	ccccc.	cracker.com.au (NetNames)
16	dddddd.	cracker.id (NetNames)
17	eeeeee.	cracker.net.au (NetNames)
18	ffffff.	crackers.com.au (NetNames)
19	gggggg.	crackers.net.au (NetNames)
20	hhhhhh.	ctbackpage.com (NetNames)
21	iiiiii.	dallasbackpage.com (NetNames)
22	jjjjjj.	denverbackpage.com (NetNames)
23	kkkkkk.	easypost123.com (Versio)
24	llllll.	easyposts123.com (Versio)
25	mmmmm.	emais.com.pt (NetNames)
26	nnnnn.	evilempire.com (NetNames)
27	ooooo.	ezpost123.com (Versio)
28	pppppp.	fackpage.com (NetNames)

1	qqqqqq.	fastadboard.com (Versio)
2	rrrrrrr.	guliettagroup.nl (Versio)
3	sssssss.	http.org (NetNames)
4	ttttttt.	ichold.com (NetNames)
5	uuuuuuu.	internetspeechfoundation.com (nameisp)
6	vvvvvvv.	internetspeechfoundation.org (nameisp)
7	wwwwwww.	loads2drive.com (NetNames)
8	xxxxxxx.	loadstodrive.com (NetNames)
9	yyyyyyy.	loadtodrive.com (NetNames)
10	zzzzzzz.	losangelesbackpage.com (NetNames)
11	aaaaaaaa.	mediafilecloud.com (NetNames)
12	bbbbbbb.	miamibackpage.com (NetNames)
13	ccccccc.	minneapolisbackpage.com (NetNames)
14	ddddddd.	mobileposting.com (Versio)
15	eeeeeee.	mobilepostings.com (Versio)
16	fffffff.	mobilepostlist.com (Versio)
17	ggggggg.	mobilposting.com (Versio)
18	hhhhhhh.	naked.city (NetNames)
19	iiiiiii.	nakedcity.com (NetNames)
20	jjjjjjj.	newyorkbackpage.com (NetNames)
21	kkkkkkk.	paidbyhour.com (NetNames)
22	lllllll.	petseekr.com (NetNames)
23	mmmmmmm.	petsfindr.com (NetNames)
24	nnnnnnn.	phoenixbackpage.com (NetNames)
25	oooooooo.	posteasy123.com (Versio)
26	ppppppp.	postfaster.com (NetNames)
27	qqqqqqq.	postfastly.com (NetNames)
28	rrrrrrr.	postfastr.com (NetNames)

1 sssssss. postonlinewith.com (Versio)  
2 tttttttt. postonlinewith.me (Versio)  
3 uuuuuuuu. postseasy123.com (Versio)  
4 vvvvvvvv. postsol.com (GoDaddy)  
5 wwwwww. postszzone24.com (Versio)  
6 xxxxxxxx. postzone24.com (Versio)  
7 yyyyyyyy. postzones24.com (Versio)  
8 zzzzzzzz. rentseekr.com (NetNames)  
9 aaaaaaaa. results911.com (NetNames)  
10 bbbbbbbb. sandiegobackpage.com (NetNames)  
11 cccccccc. sanfranciscobackpage.com (NetNames)  
12 dddddddd. seattlebackpage.com (NetNames)  
13 eeeeeeee. sellyostuffonline.com (Versio)  
14 ffffffff. sfbackpage.com (NetNames)  
15 gggggggg. simplepost24.com (Versio)  
16 hhhhhhhh. simpleposts24.com (Versio)  
17 iiiiiiii. svc.ws (NetNames)  
18 jjjjjjjj. truckrjobs.com (NetNames)  
19 kkkkkkkk. ugctechgroup.com (NetNames)  
20 llllllll. universads.nl (Versio)  
21 mmmmmmmm. villagevoicepimps.com (GoDaddy)  
22 nnnnnnnn. websitetechnologies.co.uk (NetNames)  
23 ooooooooo. websitetechnologies.com (NetNames)  
24 pppppppp. websitetechnologies.net (NetNames)  
25 qqqqqqqq. websitetechnologies.nl (NetNames)  
26 rrrrrrrr. websitetechnologies.org (NetNames)  
27 ssssssss. weprocessmoney.com (GoDaddy)  
28 tttttttt. wst.ws (NetNames)



1       uuuuuuuuu. xn--yms-fla.com (NetNames)  
2       vvvvvvvvv. ymas.ar.com (European domains)  
3       wwwwwww. ymas.br.com (European domains)  
4       xxxxxxxxx. ymas.br.com (NetNames)  
5       yyyyyyyyy. ymas.bz (European domains)  
6       zzzzzzzzz. ymas.bz (NetNames)  
7       aaaaaaaaa. ymas.cl (European domains)  
8       bbbbbbbbb. ymas.cl (NetNames)  
9       ccccccccc. ymas.co.bz (European domains)  
10      ddddddddd. ymas.co.bz (NetNames)  
11      eeeeeeeeee. ymas.co.cr (European domains)  
12      fffffffff. ymas.co.cr (NetNames)  
13      ggggggggg. ymas.co.ni (European domains)  
14      hhhhhhhhh. ymas.co.ni (NetNames)  
15      iiiiiii. ymas.co.ve (European domains)  
16      jjjjjjjjj. ymas.co.ve (NetNames)  
17      kkkkkkkkk. ymas.com (NetNames)  
18      lllllllll. ymas.com.br (European domains)  
19      mmmmmmmmm. ymas.com.br (NetNames)  
20      nnnnnnnnn. ymas.com.bz (European domains)  
21      ooooooooo. ymas.com.bz (NetNames)  
22      ppppppppp. ymas.com.co (European domains)  
23      qqqqqqqqq. ymas.com.co (NetNames)  
24      rrrrrrrrr. ymas.com.do (European domains)  
25      sssssssss. ymas.com.do (NetNames)  
26      ttttttttt. ymas.com.ec (European domains)  
27      uuuuuuuuu. ymas.com.ec (NetNames)  
28      vvvvvvvvv. ymas.com.es (European domains)

1	wwwwwwwww.	ymas.com.es (NetNames)
2	xxxxxxxxxx.	ymas.com.gt (European domains)
3	yyyyyyyyyy.	ymas.com.gt (NetNames)
4	zzzzzzzzzz.	ymas.com.hn (European domains)
5	aaaaaaaaaa.	ymas.com.hn (NetNames)
6	bbbbbbbbbb.	ymas.com.mx (NetNames)
7	ccccccccc.	ymas.com.ni (European domains)
8	dddddddddd.	ymas.com.ni (NetNames)
9	eeeeeeeeeee.	ymas.com.pe (European domains)
10	ffffffffffff.	ymas.com.pe (NetNames)
11	ggggggggggg.	ymas.com.pr (European domains)
12	hhhhhhhhhhh.	ymas.com.pr (NetNames)
13	iiiiiiiiiii.	ymas.com.pt (NetNames)
14	jjjjjjjjjjj.	ymas.com.uy (European domains)
15	kkkkkkkkkkk.	ymas.com.uy (NetNames)
16	lllllllllll.	ymas.com.ve (European domains)
17	mmmmmmmmmm.	ymas.com.ve (NetNames)
18	nnnnnnnnnnn.	ymas.cr (European domains)
19	ooooooooooo.	ymas.cr (NetNames)
20	ppppppppppp.	ymas.do (European domains)
21	qqqqqqqqqqq.	ymas.do (NetNames)
22	rrrrrrrrrrr.	ymas.ec (European domains)
23	sssssssssss.	ymas.ec (NetNames)
24	ttttttttttt.	ymas.es (European domains)
25	uuuuuuuuuuu.	ymas.es (NetNames)
26	vvvvvvvvvvv.	ymas.org (NetNames)
27	wwwwwwwww.	ymas.pe (European domains)
28	xxxxxxxxxxx.	ymas.pe (NetNames)

1        yyyyyyyyyy.        ymas.pt (NetNames)  
 2        zzzzzzzzzz.        ymas.us (European domains)  
 3        aaaaaaaaaa.        ymas.us (NetNames)  
 4        bbbbbbbbbb.        ymas.uy (European domains)  
 5        cccccccccc.        ymas.uy (NetNames)  
 6        dddddddddd.        ymas.uy.com (European domains)

#### 7                    **BACKPAGE SURRENDERED ASSETS**

#### 8                    **MM. Assets Surrendered To The United States By Backpage**

9        124. On or about May 8, 2018, all of the funds, digital  
 10 currencies, and other property listed in this subsection were  
 11 transferred into the United States Postal Inspection Service holding  
 12 bank account, Bitcoins wallet, Bitcoins Cash wallet, Litecoin wallet,  
 13 and Bitcoins Gold wallet. These Surrendered Assets constitute and  
 14 are derived from proceeds traceable to SUA, involved in money  
 15 laundering, or both.

16        125. On May 8, 2018, within the Stipulation for Preliminary  
 17 Order of Forfeiture, CR18-465-PHX-SPL, Ferrer, in his capacity as CEO  
 18 of Backpage, stipulated that the following bank funds, securities, or  
 19 other assets are criminally derived proceeds of Backpage's illegal  
 20 activity, involved in money laundering transactions, or both, and as  
 21 such, are forfeitable property:

22        a.     \$699,940.00 wire transferred from ING Bank account '7684,  
 23 held in the name of Payment Solutions BV.

24        b.     \$106,988.41 wire transferred from ING Bank account '2071,  
 25 held in the name of Payment Solutions BV.

26        c.     \$499,910.01 wire transferred from US Bank account '0239,  
 27 held in the name of Affordable Bail Bonds LLC.

28        d.     \$50,000.00 wire transferred from Enterprise Bank and Trust

1 account '7177, held in the name of Global Trading Solutions LLC.

2 e. \$1,876.36 wire transferred from ING Bank account '2071,  
3 held in the name of Payment Solutions BV.

4 f. \$50,357.35 wire transferred from ING Bank account '7684,  
5 held in the name of Payment Solutions BV.

6 g. \$248,970.00 wire transferred from Citibank NA, account  
7 '0457, held in the name of Paul Hastings LLP.

8 h. \$52,500.00 wire transferred from Enterprise Bank and Trust  
9 account '7177, held in the name of Global Trading Solutions LLC.

10 i. \$65,000.00 wire transferred from Enterprise Bank and Trust  
11 account '7177, held in the name of Global Trading Solutions LLC.

12 j. \$5,534.54 wire transferred from Enterprise Bank and Trust  
13 account '7177, held in the name of Global Trading Solutions LLC.

14 k. \$52,500.00 wire transferred from Crypto Capital

15 i. 6 Bitcoins transferred from a Backpage controlled  
16 wallet;

17 ii. 199.99995716 Bitcoins transferred from a Backpage  
18 controlled wallet;

19 iii. 404.99984122 Bitcoins transferred from a Backpage  
20 controlled wallet;

21 iv. 173.97319 Bitcoins transferred from a Backpage  
22 controlled wallet;

23 v. 411.00019 Bitcoins transferred from a Backpage  
24 controlled wallet;

25 vi. 2.00069333 Bitcoins transferred from a Backpage  
26 controlled wallet;

27 vii. 136.6544695 Bitcoins transferred from a Backpage  
28 controlled wallet;

viii. 2,673.59306905 Bitcoins Cash transferred from a Backpage controlled wallet;

ix. 55.5 Bitcoins Cash transferred from a Backpage controlled wallet;

x. 73.62522241 Bitcoins Cash transferred from a Backpage controlled wallet;

xi. 16,310.79413202 Litecoin transferred from a Backpage controlled wallet;

xii. 783.9735116 Litecoin transferred from a Backpage controlled wallet; and

xiii. 509.81904619 Bitcoins Gold transferred from a Backpage controlled wallet.

**NN. BACKPAGE FUNDS PREVIOUSLY HELD AT DAVIS WRIGHT TREMAINE**

126. On August 13, 2018, Davis Wright Tremaine initiated a wire transfer of \$3,713,121.03 from Bank of America account '3414, held in the name of Davis Wright Tremaine, LLP into the government holding account.

a. Between January 13 and January 20, 2017, a GoCoin account wire transferred \$1,318,800 to the Veritex Account.

b. On June 22, 2017, the Veritex Account wire transferred \$1,000,000 into Account 27.

c. On April 27, 2017, the Netherlands Account wire transferred \$2,500,000 to Account 27.

d. On April 28, 2017, the Netherlands Account wire transferred \$2,500,000 to Account 27.

e. On May 24, 2017, Account 1 wire transferred \$500,000 into Account 27.

f. On September 13, 2017, Account 1 wire transferred

1 \$1,000,000 into Account 27.

2 g. On September 27, 2017, the Netherlands Account wire  
3 transferred about \$778,802.96 into Account 27.

4 h. On October 20, 2017, Account 1 wire transferred \$500,000  
5 into Account 27.

6  
7 **FIRST CLAIM FOR RELIEF**

8 (18 U.S.C. § 981(a)(1)(C))

9 127. Based on the facts set out above, Plaintiff alleges that  
10 the Defendant Asset constitutes, and is derived from, proceeds  
11 traceable to one or more violations of Title 18, United States Code,  
12 Sections 1591 (Sex Trafficking of Children) and 1952 (Interstate and  
13 Foreign Travel in Aid of Racketeering Enterprise), each of which is a  
14 specified unlawful activity under 18 U.S.C. §§ 1956(c)(7)(A),  
15 1956(c)(7)(B)(iv) and 1956(c)(7)(D), and a conspiracy to commit such  
16 offenses. The Defendant Asset is therefore subject to forfeiture to  
17 the United States pursuant to 18 U.S.C. § 981(a)(1)(C).

18 **SECOND CLAIM FOR RELIEF**

19 (18 U.S.C. § 981(a)(1)(A))

20 128. Based on the facts set out above, Plaintiff alleges that  
21 the Defendant Asset was involved in, and is traceable to, property  
22 involved in one or more transactions or attempted transactions in  
23 violation of section 18 U.S.C. § 1957, and a conspiracy to commit  
24 such offenses, in violation of section 18 U.S.C. § 1956(h).  
25 Specifically, the Defendant Assets was involved in and is traceable  
26 to property involved in one or more financial transactions, attempted  
27 transactions, and a conspiracy to conduct or attempt to conduct such  
28 transactions in criminally derived property of a value greater than

1 \$10,000 that was derived from specified unlawful activities, to wit,  
 2 violations of Title 18, United States Code, Sections 1591 (Sex  
 3 Trafficking of Children) and 1952 (Interstate and Foreign Travel in  
 4 Aid of Racketeering Enterprise), each of which is a specified  
 5 unlawful activity under 18 U.S.C. §§ 1956(c)(7)(A), 1956(c)(7)(B)(iv)  
 6 and 1956(c)(7)(D), and a conspiracy to commit such offenses. The  
 7 Defendant Asset is therefore subject to forfeiture to the United  
 8 States pursuant to 18 U.S.C. § 981(a)(1)(A).

9 **THIRD CLAIM FOR RELIEF**

10 (18 U.S.C. § 981(a)(1)(A))

11 129. Based on the facts set out above, Plaintiff alleges that  
 12 the Defendant Asset was involved in, and is traceable to property  
 13 involved in, one or more transactions or attempted transactions in  
 14 violation of section 18 U.S.C. § 1956(a)(1)(B)(i) (Concealment Money  
 15 Laundering), (a)(2) (International Money Laundering), and a  
 16 conspiracy to commit such offenses, in violation of section 18 U.S.C.  
 17 § 1956(h). Specifically, the Defendant Asset was involved in and is  
 18 traceable to property involved in one or more financial transactions,  
 19 attempted transactions, and a conspiracy to conduct or attempt to  
 20 conduct such transactions involving the proceeds of specified  
 21 unlawful activity, to wit, violations of Title 18, United States  
 22 Code, Sections 1591 (Sex Trafficking of Children) and 1952  
 23 (Interstate and Foreign Travel in Aid of Racketeering Enterprise),  
 24 each of which is a specified unlawful activity under 18 U.S.C.  
 25 §§ 1956(c)(7)(A), 1956(c)(7)(B)(iv) and 1956(c)(7)(D), and a  
 26 conspiracy to commit such offenses. The Defendant Asset is therefore  
 27 subject to forfeiture to the United States pursuant to 18 U.S.C. §  
 28 981(a)(1)(A).

1 WHEREFORE, plaintiff United States of America prays that:

2 (a) due process issue to enforce the forfeiture of the  
3 Defendant Asset;

4 (b) due notice be given to all interested parties to appear and  
5 show cause why forfeiture should not be decreed;

6 (c) that this Court decree forfeiture of the Defendant Asset to  
7 the United States of America for disposition according to law; and

8 (d) for such other and further relief as this Court may deem  
9 just and proper, together with the costs and disbursements of this  
10 action.

11 Dated: October 11, 2018

NICOLA T. HANNA  
United States Attorney  
LAWRENCE S. MIDDLETON  
Assistant United States Attorney  
Chief, Criminal Division  
STEVEN R. WELK  
Assistant United States Attorney  
Chief, Asset Forfeiture Section

16 /s/John J. Kucera  
17 JOHN J. KUCERA  
Assistant United States Attorney

18 Attorneys for Plaintiff  
19 United States of America  
20  
21  
22  
23  
24  
25  
26  
27  
28



**VERIFICATION**

I, Lyndon A Versoza, hereby declare that:

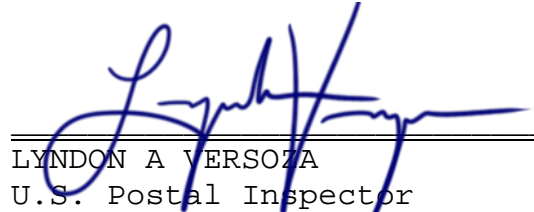
1. I am a United States Postal Inspector with the United States Postal Inspection Service. I am the case agent for the civil forfeiture action entitled *United States v. Real Property Located in Paradise Valley, Arizona*.

2. I have read the above Verified Complaint for Forfeiture and know its contents, which is based upon my own personal knowledge and reports provided to me by other agents.

3. Everything contained in the Complaint is true and correct, to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 11, 2018 in Los Angeles, California.

  
\_\_\_\_\_  
LYNDON A VERSOZA  
U.S. Postal Inspector  
United States Postal Inspection  
Service